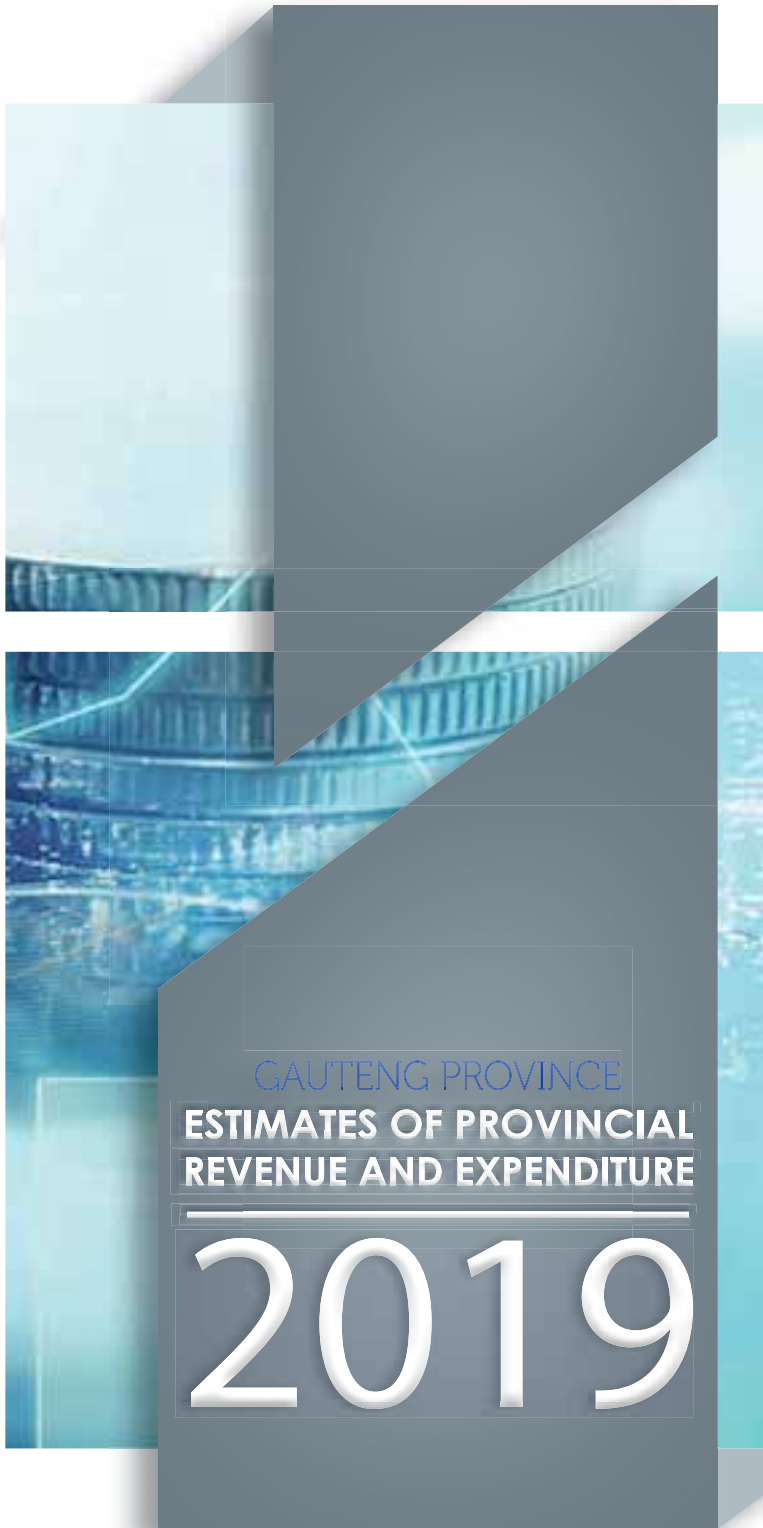


Together, Moving Gauteng City Region Forward



GAUTENG PROVINCE
ESTIMATES OF PROVINCIAL
REVENUE AND EXPENDITURE

2019



GAUTENG PROVINCE
TREASURY
REPUBLIC OF SOUTH AFRICA

ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE 2019



PR15/2019

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The Estimate of Provincial Revenue and Expenditure 2019 is compiled using the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision

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Barbara Creecy
MEC: Finance

FOREWORD

The 2019 Medium Term Expenditure Framework (“MTEF”) Budget is tabled on the cusp of the 2019 General Election. It serves as a bridge between the Fifth and the Sixth administration. While the focus has been on accelerating the completion of the programmes of the Fifth Administration, couched in the Transformation, Modernisation and Re-industrialisation (TMR) Agenda of the Gauteng City Region, care has been taken to allow room for the forthcoming administration to implement the ideals outlined in their manifesto.

National Treasury forecasts that the South African economy will grow by just 0.7 per cent in 2018, and that the recovery in real GDP growth will be modest, anticipated at 1.5 per cent in 2019, and gradually growing to 2.1 per cent in 2021. For 2018, the IHS estimates the Gauteng economy to have increased by 1.4 per cent.

This is therefore a holding budget that nevertheless prioritises core service delivery areas, enforcing fiscal rectitude in light of the challenging economic environment that South Africa continues to endure.

The 2019 MTEF budget represents the optimal allocation of resources that is aimed at promoting the economic, efficient and effective provision of public services whilst ensuring quality and accessibility of these services (i.e. value for money), and is guided by the following principles:

- realignment of budget baselines;
- reprioritisation within budget baselines;
- allocative efficiency;
- investment in infrastructure delivery; and
- improved management of the personnel budget

When compiling the 2019 MTEF budget, Gauteng Provincial Government (GPG) departments had to redirect funding towards the key deliverables identified by the Deliverology Programme and the TMR Agenda. GPG departments also had to keep the personnel budgets within affordable levels and scale down low-priority programmes and projects. The readiness of the relevant departments to implement infrastructure projects is a key factor that underpins the infrastructure allocations.

The budget continues to prioritise social investment in the Department of Education and the Department of Health while ensuring a safety net for the vulnerable through investment in various support projects in the Department of Social Development amounting to R5.5 billion. The total investment in these three key departments amounts to R106.1 billion or 80 per cent of the 2019/20 budget.

Notwithstanding the challenging economic environment, which is expected to persist in the short-term to medium-term, it remains my firm conviction that the 2019 MTEF Budget is an affirmation of the quest by GPG to improve the quality of life for Gauteng residents over the next three years.

The 2019 EPRE is the collective input of the Provincial Treasury, under the capable leadership of the Head of Department, Ms Nomfundo Tshabalala, who has worked tirelessly to ensure its conclusion. The cooperation of GPG departmental accounting officers in the compilation of the numbers and narrative in the chapters is gratefully acknowledged.

A handwritten signature in black ink, appearing to read 'B D Creecy', with a period at the end. The signature is written in a cursive style.

B D Creecy
MEC for Finance

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LIST OF ABBREVIATIONS

ACSA	Airports Company South Africa
ACT	Alternate Construction Technology
AFASA	African Farmers Association of South Africa
AG	Auditor General
AIDC	Automotive Industry Development Centre
ALOS	Average Length of Stay
ANA	Annual National Assessments
ANC	Antenatal Care
APAP	Agricultural Policy Action Plan
APIP	Academic Performance Improvement Plan
APP	Annual Performance Plan
APRM	African Peer Review Mechanism
AQMP	Agricultural Research Council
ARC	Agricultural Research Council
ARV	Antiretroviral
ASIDI	Accelerated School Infrastructure Development Initiative
ASP	Automotive Supplier Park
ATP	Annual Teaching Plans
AU	African Union
B2B	Back to Basics
BBBEE	Broad based Black Economic Empowerment
BCM	Budget Cycle Model
BCP	Business Continuity Plan
BI	Business Intelligence
BKB	Bontle Ke Botho
BNG	Breaking New Ground
BPO	Business Process Outsourcing
BPS	Business Process Services
BRICS	Brazil Russia India China and South Africa
C-AMP	Custodian-Asset Management Plans
CA	Consumer Affairs
CAOW	Consumer Affairs Office of Wheel
CAPEX	Capital Expenditure
CAPS	Curriculum and Assessment Policy Statements
CASP	Comprehensive Agricultural Support
CARMMA	Campaign for the Accelerated Reduction of Maternal Mortality in Africa
CBP	Community Based Planning
CBC	Community Based Centres
CBPS	Computerized Biodiversity Permit System
CBS	Community Based Site
CCMA	Commission of Conciliation, Mediation and Arbitration
CCMDD	Centralized Chronic Medicine Dispensing and Distribution
CCS	Compulsory Community Service
CDW	Community Development Worker
CEO	Chief Executive Officer
CFIs	Co-operative Financial Institutions
CFO	Chief Financial Officer
CHBAH	Chris Hani Baragwanath Academic Hospital
CHC	Community Health Centre
CIC	Central Information Centre
CICSA	Climate Innovation Centre of South Africa
CIDB	Construction Industry Development Board
CIPC	Companies and Intellectual Property Commission
CIPELT	Certificate In Primary English Language Teaching
CITES	Convention on International Trade in Endangered Species
Ciset	Committee on International Science, Engineering, and Technology
CISELT	Certificate in Senior English Language Teaching
CMAH	Charlotte Maxeke Academic Hospital

CJS	Criminal Justice System
COE	Compensation of employees
COGTA	Cooperative Government and Traditional Affairs
COHWHS	Cradle of Human-kind World Heritage Site
COJ	City of Johannesburg
COLA	Cost Of Living Adjustment
CONSAWU	Confederation of South African Workers Union
CONTRALESA	Congress of Traditional Leaders of South Africa
COSATU	Congress of South African Trade Unions
COT	City of Tshwane
CPA	Commonwealth Parliamentary Association
CPD	Corporation of Public Deposits
CPFs	Community Policing Forums
CPI	Consumer price index
CPIX	Consumer Price inflation Index
CRC	Citizens Responsibility Campaign
CSD	Centralized Supplier Database
CSF	Community safety forum
CSI	Corporate Social Investment
CSIR	Council for Scientific and Industrial Research
CWP	Community Based Planning
CYCC	Child and Youth Care Centre
CYCW	Child and Youth Care Worker
DAR	Drop All and Read
DAV	Design and Validation
DBE	Department of Basic Education
DBSA	Development Bank of Southern Africa
DBST	District Based Support Team's
DCS	Department of Community Safety
DCST	District clinical specialist team
DDG	Deputy Director General
DDI	Domestic Direct Investment
DEA	Department of Environmental Affairs
DED	Department of Economic Development
DFSG	Durban-Free State-Gauteng
DGMAH	Doctor George Mukhari Academic Hospital
DGRMA	Dinokeng Game Reserve Management Association
DHS	District Health Services
DID	Department of Infrastructure Development
DIS	District Implementation Strategies
DLTC	Driving License Testing Centre
DMO	Destination Marketing Organization
DoH	Department of Health
DoRA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DRDLR	Department of Rural Development and Land Reform
DR-TB	Drug-resistant TB
DRT	Department of Roads and Transport
DSACR	Department of Sport, Art, Culture and Recreation
DSD	Department of Social Development
DSU	Delivery Support Unit
DTDCs	District Teacher Development Centers
DTI	Department of Trade and Industry
EA	Environmental Authorizations
EAC	English Across the Curriculum
ECC	Emergency Communication Centre
ECD	Early Childhood Development
ECDI	Early Childhood Development Institute
ECE	Estimates of Capital Expenditure
ECM	Enterprise Content Management
EDL	Essential Drug List

EE	Employment Equity
EEDBS	Enhanced Extended Discount Benefit Scheme
EGRA	Early Grade Reading Assessment
e-Gov	e-Government
EHWP	Employee Health and Wellness Programme
EIA	Environmental Impact Assessment
EMF	Environmental Management Framework
EMI	Environmental Management Inspectorate
EMP	Environment Management Plan
EMS	Emergency Medical Services
EMIS	Edu Management Information System
EOI	Expression Of Interest
EP	Economic Planning
e-PMDS	Electronic Performance Management and Development System
EPRE	Estimates of Provincial Revenue and Expenditure
ePRF	electronic Patient Report Form
EPWP	Expanded Public Works Programme
ERS	Electronic Reporting System
ESSP	Extra School Support Programme
ETDP	Education, Training and Development Practices
EXCO	Executive Council
FAL	First Additional Language
FAWU	Food and Allied Workers Union
FBO	Faith Based Organisation
FDI	Foreign Direct Investment
FEDUSA	Federation of Unions of South Africa
FET	Further Education and Training
FIS	Focused Intervention Studies
FLISP	Finance Linked Individual Subsidy Programme
FSD	Farmer support and Development
FSDM	Frontline Service Delivery Monitoring
FSW	Forensic Social Work
FY	Financial Year
G&P	Governance and Planning
G2B	Government to Business
G2C	Government to Community
G2G	Government to Government
GALC	Gauteng Automotive Learning Centre
GAP	Good Agricultural Practice
GAS	Gauteng Audit Services
GBN	Gauteng Broadband Network
GBV	Gender Based Violence
GCI	Gauteng Investment Center
GCR	Gauteng City Region
GCRA	Gauteng City Region Academy
GCR EDP	Gauteng City Region Economic Development Plan
GCRO	Gauteng City Region Observatory
GDARD	Gauteng Department of Agriculture and Rural Development
GDE	Gauteng Department of Education
GDED	Gauteng Department of Economic Development
GDF	Gauteng Department of Finance
GDH	Gauteng Department of Health
GDHS	Gauteng Department of Human Settlement
GDID	Gauteng Department of Infrastructure Development
GDP	Gross Domestic Product
GDRT	Gauteng Department of Roads and Transport
GDS	Gauteng Department of Social Development
GEP	Gauteng Enterprise Proper
GET	General Education and Training
GEYODI	Gender, Youth and People with Disabilities
GEYODI&MVO	Gender, Youth and People with Disabilities and Military Veterans and Older persons

GFC	Gauteng Film Commission
GGB	Gauteng Gambling Board
GGDA	Gauteng Growth and Development Agency
GIAMA	Government Immovable Asset Management Act
GICC	Gauteng Infrastructure Co-ordinating Council
GIFA	Gauteng Infrastructure Funding Agency
GIIC	Gauteng Infrastructure Investment Conference
GIIMP	Gauteng Integrated Infrastructure Master plan
GIPPS	Gauteng Information on Police Performance Sessions
GIS	Geographic Information System
GLB	Gauteng Liquor Board
GP	Gauteng Province
GPD	Gauteng Planning Division
GPF	Gauteng Provincial Funds
GPG	Gauteng Provincial Government
GPL	Gauteng Provincial Legislature
GPLMS	Gauteng Primary Language and Mathematics Strategy
GPT	Gauteng Provincial Treasury
GRAP	Generally Recognized Accounting Principles
GSACR	Gauteng Sport, Art, Culture and Recreation
GSDF	Gauteng Spatial Development Framework
GSDP	Gauteng Spatial Development Perspective
GSF	Gauteng Speakers Forum
GTA	Gauteng Tourism Authority
GTC	Gauteng Transport Commission
GTFRA	Gauteng Transport Framework Revision Act
GTFS	General Transit Feed Specification
GTI	Gauteng Tooling Initiative
GTIP5	Gauteng Transport Integrated Plan 5
GTMI	Gauteng Tooling Manufacturing Initiative
GTSE	Gauteng Township Stock Exchange
GWIS	Gauteng Waste Information System
HAST	HIV/AIDS, STI and TB
HAZMAT	Hazardous Material
HBC	Home Base Care
HCBC	Home and Community-Base Care
HCT	HIV Counselling and Testing
HDA	Housing Development Agency
HDI	Historically Disadvantaged Individuals
HEI	Higher Education Institutions
HIV and AIDS	Human Immunodeficiency Virus and Acquired Immunodeficiency Syndrome
HoD	Head of Department
HPV	Human Papillomavirus
HR	Human Resources
HRC	Human Science Research Council
HRD	Human Resource Development
HSDG	Human Settlements Development Grant
HWSETA	Health and Welfare Sector Training Authority
IA	Implementing Agents
IAR	Immovable Asset Register
ICS	Improvement in Conditions of Service
ICT	Information and Communication Technology
ICU	Intensive Care Unit
IDC	Industrial Development Corporation
IDMS	Infrastructure Delivery Management System
IDP	Integrated Development Plan
IDZ	Industrial Development Zone
IGR	Inter-Governmental Relations
IIAL	Incremental Introduction of South Africa Language
IKS	Indigenous Knowledge Systems
IPAP	Industrial Policy Action Plan

IPID	Independent Police Investigative Directorate
IQMS	Integrated Quality Management System
IRDP	Integrated Residential Development Programme
IS	Independent Schools
IT	Information Technology
ITMP	Integrated Transport Master Plan
ITP	Integrated Transport Plan
IYM	In-Year Monitoring
JMP	Jewellery Manufacturing Precinct
KPA	Key Performance Analysis
LAC	Language Across the Curriculum
LAN	Local Area Network
LEAs	Law Enforcement Agencies
LED	Light Electronic Development
LGBTI	Lesbian, Gay, Bisexual, Transgender and Intersex
LGMIM	Local Government Management Improvement Model
LIC	Labour Intensive Construction
LiEP	Language in Education Policy
LITNUM	Literacy and Numeracy
LOUOP	Limited Obstetric Ultrasound programme
LSB	Legislative Services Board
LSEN	Learners with Special Educational Needs
LTA	Local Tourism Association
LTSM	Learner and teacher support materials
MDGs	Millennium Development Goals
MDR-TB	Multi-Drug Resistant TB
MDR	Multi-Drug Resistant
MEC	Member of the Executive Council
MEDICOM	Medical Digital Imaging and Communication
METRO	Metropolitan
MFMA	Municipal Finance Management Act
MGSG	Matthew Goniwe School of Governance and Leadership
MIG	Municipal Infrastructure Grant
MISA	Maintenance of Internal Security Act
MMC	Medical Male Circumcision
MOA	Memorandum of Agreement
MOUs	Maternity and Obstetric Units
MPAC	Municipal Public Accounts Committees
MPAT	Management Performance Assessment Tool
MRPA	Municipal Rate Property Act
MRW	Mobile Repair Workshop
MSA	Municipal Structure Act
MSCOA	Municipal Standard Chart of Account
MSD	Medical Supplies Depot
MST	Mathematics, Science and Technology
MTBPS	Medium Term Budget Policy Statement
MTCT	Mother-To-Child Transmission
MTEC	Medium Term Expenditure Committees
MTEF	Medium Term Expenditure Framework
MTR	Modernisation, Transformation and Re-industrialisation
MTRF	Medium Term Revenue Framework
MTSF	Medium Term Strategic Framework
NACH	National Anti-Corruption Hotline
NACTU	National Council of Trade Unions
NAWONGO	National Association of Welfare Organisations and Non-Governmental Organisations
NCOP	National Council of Provinces
NCSL	National Conference of State Legislatures
NDP	National Development Plan
NDT	National Department of Tourism
NEMA	National Environmental Management Act
NGO	Non-governmental organization

NHBRC	National Home Builder Registration Council
NHFC	National Housing Finance Corporation
NHI	National Health Insurance
NLTA	National Land Transport Act
NMT	Non-Motorised Transport
NPO	Non-Profit Organisation
NQF	National Qualification Framework
NSC	National Senior Certificate
NSNP	National School Nutrition Programme
NSP	National Strategic Plan
NT	National Treasury
NTPF	National Travel Policy Framework
NYDA	National Youth Development
NYFA	National Youth Service Framework
NYS	National Youth Services
OCPOL	Oversight on Premier and Legislature
OD	Organisational Development
OD & D	Organisational Development and Design
OHS	Occupational Health and Safety
OoP	Office of the Premier
OPCA	Operation Clean Audit
OPD	Out Patient Department
OSD	Occupation Specific Dispensation
OtC	Over the Counter
OTM	October Transport Month
PAHC	Primary Animal Health Care
PAIA	Promotion to Access to Information Act
PAJA	Promotion of Administrative Justice Act
PANSALB	Pan South African Language Board
PASA	Publishers Association of South Africa
PASSOP	People Against Suffering Oppression and Poverty
PCC	Provincial Coordinating Committee
PCF	Provincial Communication Forum
PCOs	Public Participation Offices
PDMC	Provincial Disaster Management Centre
PDPs	Personal Development Plans
PEBA	Programme evaluation and budget analysis
PERO	Provincial Economic Review Outlook
PERSAL	Personal and Salary Administration System
PET	Positron Emission Tomography
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategy
PHC	Primary Health Care
PHRA-G	Provincial Heritage Resource Agency of Gauteng
PHWBC	Public Health and Welfare Sector Bargaining Council
PICC	Presidential Infrastructure Coordinating Council
PLC	Professional Learning Communities
PGDS	Provincial Growth and Development Strategy
PME	Performance Monitoring and Evaluation
PMO	Project Management Office
PMS	Performance Management System
PMT	Project Management Team
PMTCT	Prevention of Mother To Child Transmission of HIV
PMTE	Property Management Entity
POA	Programme of Action
POS	Public Ordinary School
PPPFA	Preferential Procurement Policy Framework Act
PPPs	Public-Private Partnerships
PPR	Preferential Procurement Regulations
PRASA	Passenger Rail Agency of South Africa
PRF	Provincial Revenue Fund

PRMG	Provincial Roads Maintenance Grant
PROVJOINT	Provincial Joint Operational Intelligence Structure
PSA	Public Service Act
PSCBC	Public Service Co-ordinating Bargaining Council resolutions
PSPs	Professional Service Providers
PSO	Programme Support Services
PTDIs	Provincial Teacher Development Institutes
PTOG	Public Transport Operations Grant
PTP	Priority Township Programme
PTS	Public Transport Services
PwD	People with Disabilities
QA	Quality Assurance
R&D	Research and Development
RAF	Road Accident Fund
RAMP	Roads Assets Management Plan
RFI	Request for Information
RFQ	Request For Quote
RISFSA	Road Infrastructure Framework of South Africa
RPOBA	Remuneration of Public Office Bearers Act
RTC	Rand Transmission Company
RTIA	Road Traffic Infringement Agency
RTMC	Road Traffic Management Corporation
RUL	Remaining Useful Life
SABPP	South African Board of People Practice
SADC	Southern African Development Countries
SAFE	South African Financial Exchange
SAHPRA	South African Health Products Regulatory Authority
SAHRA	South African Heritage Resources Agency
SAICE	South African Institute of Civil Engineers
SAIPA	South African institute of Professional Accountants
SAL	Second Additional Language
SALGA	South African Local Government Association
SALS	Secretaries' Association of the Legislatures
SALSA	Secretaries' Association of the Legislatures of South Africa
SAMA	South African Music Awards
SANCA	South African National Council on Alcoholism
SANRAL	South African National Roads Agency Limited
SAP	System Application Programme
SAPS	South Africa Police Service
SA-SAMS	South African School Administration Management System
SASCE	South Africa School Choral Eisteddfod
SASDC	South African Supplier Development Council
SAWIC	South African Women in Construction
SBA	School Based Assessment
SBAH	Steve Biko Academic Hospital
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDF	Skill Development Facility
SDG	Sustainable Development Goals
SDIP	Service Delivery Improvement Plan
SDMP	Strategic Decision Making Points
SDWR	Service Delivery War Room
SERO	Scio-economic Review and Outlook
SETA	Sector Education and Training Authority
SGB	School Governing Body
SID	Severely Intellectual Disabilities
SIP	Strategic Infrastructure Project
SIPDM	Standard for Infrastructure Procurement and Delivery Management
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMME	Small, Micro, Medium Enterprises

SMT	School Management Team
SMU	Sefako Makgatho University
SOB	State Owned-Bank
SOCATT	Society of Clerks at the Table
SOM	Sector Oversight Model
SOP	Standard Operating Procedures
SOPA	State of the Province Address
SOS	School of Specialisation
SPACE	Sports, Arts, Culture and Edutainment
SPDC	Supplier Park Development Company
SPLUMA	Spatial and Land Use Management Act
SPMS	Security and Performance Monitoring Service
SRM	Sustainable Resource Management
SRSA	Sport Recreation of South Africa
SSIP	Secondary School Intervention Programme
STARS	Sports, Transport, Agriculture Rural and Social Development
STATS SA	Statistics South Africa
STIs	Sexually Transmitted Infections
SWIS	System Wide School Improvement Strategy
TB	Tuberculosis
TBC	Teacher Development Centre
TBCSA	Tourism Business Council of South Africa
TBR	Township Business Renewal
TEAS	Township Entrepreneur Awards
TER	Township Economic Revitalization
TIH	The Innovation Hub
TIHMC	The Innovation Hub Management Company
TMR	Transformation, Modernisation and Re-industrialisation
TOPS	Threatened or Protected Species Regulation
ToR	Terms of Reference
TSC	Transport Services
TUT	Tshwane University of Technology
U-AMP	User Asset Management Plan
UAV	Unmanned Ariel Vehicle
UJ	University of Johannesburg
UNAIDS	United Nations Program on HIV/AIDS
UNESCO	United Nations Educational, Scientific and Cultural Organization
UP	University of Pretoria
USDG	Urban Settlement Development Grant
UTT	Universal Test and Treat
UNW	University of North West
VAIBs	Valuation Appeals Boards
VAWAC	Violence Against Women and Children
VEP	Victim Empowerment Programme
VFS	Victim Friendly Rooms
VoIP	Voice over Internet Protocol
VTS	Vehicle Testing Station
WARD	Women in Agriculture and Rural Development
WAN	Wide Area Network
WBOTs	Ward-Based Outreach Teams
WEH	Winterveldt Enterprise Hub
WiFi	Wireless Fidelity
WITS	University of Witwatersrand
WoP	War on Poverty
WSI	Whole School Improvement
WSP	Workplace Skills Plan
WULA	Water Use License Application
YARD	Youth in Agriculture and Rural Development



OVERVIEW OF PROVINCIAL ESTIMATES

1. Socio-economic outlook

1.1 Introduction

The global economy lost momentum in the latter part of 2018 owing to heightened geopolitical risks such as the Brexit, global trade tensions (between the United States and China mainly) and the weakening sentiment towards emerging markets and developing economies (EMDEs). The global economy is projected to grow at 3.5 per cent in 2019 and 3.6 per cent in 2020. As shown in Table 1, the International Monetary Fund (IMF) expects the strength of the recovery to weaken.

TABLE 1: OVERVIEW OF THE WORLD ECONOMIC OUTLOOK AND PROJECTIONS 2018 (PER CENT CHANGE UNLESS NOTED OTHERWISE)

	Actual	Estimates	Projections		Difference from October 2018	
					WEO Projections	
					2019	2020
	2017	2018	2019	2020	2019	2020
World Output	3.8	3.7	3.5	3.6	-0.2	-0.1
Advanced Economies	2.4	2.3	2.0	1.7	(0.1)	
United States (US)	2.2	2.9	2.5	1.8		
Euro Area	2.4	1.8	1.6	1.7	-0.3	
Japan	1.9	0.9	1.1	0.5	0.2	0.2
United Kingdom	1.8	1.4	1.5	1.6		0.1
Emerging Market and Developing Economies (EMDEs)	4.7	4.6	4.5	4.9	-0.2	
Russia	1.5	1.7	1.6	1.7	-0.2	-0.1
China	6.9	6.6	6.2	6.2		
India	6.7	7.3	7.5	7.7	0.1	
Brazil	1.1	1.3	2.5	2.2	0.1	-0.1
Sub-Saharan Africa (SSA)	2.9	2.9	3.5	3.6	-0.3	-0.3
Nigeria	0.8	1.9	2.0	2.2	-0.3	-0.3
South Africa	1.3	0.8	1.4	1.7		

Source: IMF, WEO 2017

The recovery in the advanced economies has become less synchronized. The US economy continues its surge, led by a robust domestic economy, with solid growth in personal consumption as the unemployment rate continues to decline. However, growth is expected to slow to 2.5 per cent in 2019 and soften further to 1.8 per cent in 2020 as the effects of fiscal stimulus dissipate and interest rates rise. Meanwhile, the European Central has become less certain about their monetary policy tightening path, given the weaknesses displayed in the European economy. This is compounded by concerns surrounding the Brexit processes currently underway in the United Kingdom (UK).

Overall, Gross Domestic Product (GDP) growth in advanced economies is expected to slow from an estimated 2.3 per cent in 2018 to 2.0 per cent in 2019 and 1.7 per cent in 2020. Fiscal policy support is expected to offset the effects of a consumption tax increase in Japan, where GDP is forecast to grow at 1.1 per cent in 2019 compared to 0.9 per cent in 2018.

In 2018, sentiment deteriorated towards the economies of the EMDEs. Growth slowed from 4.7 per cent in 2017 to 4.6 per cent in 2018 and the region is expected to shed another 0.1 per cent in 2019. A moderation in output in China from 6.9 per cent in 2017 to 6.6 per cent in 2018 is reflective of trade tariffs imposed which are affecting external demand. In India, growth is expected to have risen to 7.3 per cent in 2018, following the recent increase in oil prices which has dampened growth prospects. In Russia, the recovery in oil prices is likely to have pushed growth up by 0.2 per cent to 1.7 per cent in 2018. A recovery in private demand is driving up growth in Brazil; growth is anticipated to have risen to 1.3 per cent in 2018 from 1.1 per cent in 2017.

The external environment continues to be supportive to the recovery in the SSA region. Commodity price increases and growth in the advanced economies have been favourable to commodity exporters. The region's economic growth rate is estimated to have been the same as 2017, at the level of 2.9 per cent in 2018. It is forecast to grow by 3.5 per cent in 2019. Against the backdrop of rising economic vulnerabilities, South Africa has been faced with a challenging economic landscape for the past several years, as a result of both global economic events and domestic challenges. These factors, have resulted in below expected GDP growth rate for South Africa's economy and rising unemployment and poverty. The IMF forecasts GDP growth of 1.4 per cent in 2019 and 1.7 per cent in 2020. Meanwhile, the National Treasury estimates domestic GDP growth to have slowed to 0.7 per cent in 2018. Its growth forecast for 2019 is 1.5 per cent, increasing to 2.1 per cent in

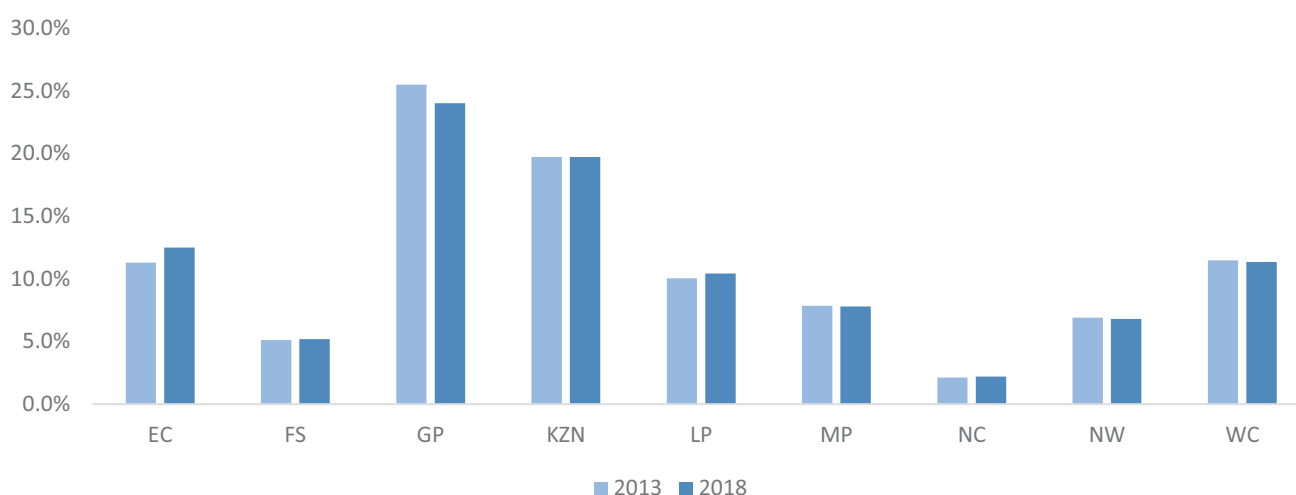
2021.1 According to Statistics South Africa (Stats SA), headline consumer price inflation averaged 4.7 per cent in 2018, which is within the SARB target.

In 2018, the province's economy is estimated to have grown marginally faster than the national economy, at 0.9 per cent.² Both global and national factors continue to influence the province's economy and therefore its revenue and expenditure objectives.

1.2 Demographics

To track the demographic profiles of regions is essential as these influence economic development plans, social protection and as well as budgetary processes. Information on household's access to basic services is also vital for planning and budgetary processes of the country and its provincial regions. This section focuses on the demographic status of the Gauteng region from 2013 to 2018.

Figure 1: Population Share by Provinces for 2013 & 2018



Source: Stats SA, 2019

Note: EC=Eastern Cape, FS=Free State, GP=Gauteng, KZN=KwaZulu-Natal, LP=Limpopo, MP=Mpumalanga, NC=Northern Cape, NW=North West and WC=Western Cape.

The 2018 mid-year population estimates show that Gauteng still accounts for the highest share of the country's population at 25.5 per cent, an increase of 1.5 percentage points compared to 2013. This is followed by KwaZulu-Natal, which accounts for 19.7 per cent of the country's total population. The least populated region in 2018 was the Northern Cape, only accounting for 2.1 per cent of South Africa's population, declining by 0.1 percentage points compared to 2013.

TABLE 2: POPULATION SIZE & DISTRIBUTION FOR GAUTENG'S MUNICIPALITIES FOR 2013 & 2018

Region	Proportion of Gauteng Total			
	2013		2018	
	Number	Proportion of Total	Number	Proportion of Total
City of Ekurhuleni	3 285 202	25.53%	3 657 492	24.95%
City of Johannesburg	4 794 112	37.26%	5 557 990	37.91%
City of Tshwane	3 046 892	23.68%	3 545 975	24.19%
Sedibeng	865 563	6.73%	949 285	6.48%
West Rand	875 783	6.81%	950 002	6.48%
Total	12 867 553	100.00%	14 660 744	100.00%

Source: Quantec Easy Data, 2019

The above table shows the municipalities' shares of the total Gauteng population for 2013 and 2018. At 37.9 per cent, the City of Johannesburg accounted for the highest share of the Gauteng population in 2018, an increase from the 37.3 per

¹ National Treasury. (2019). Budget Review 2019. Pretoria.

² IHS Markit. (2019). *Regional Explorer Database*. (Assessed on 23rd January): www.ihsglobalinsight.co.za.

cent it recorded in 2013. It was followed by the City of Ekurhuleni and the City of Tshwane at 24.9 and 24.2 per cent, respectively. The Sedibeng and West Rand districts accounted for the lowest proportions of the total province population both at 6.5 per cent in 2018, which was a decline from the shares of 6.7 and 6.8 per cent recorded in 2013, respectively.

TABLE 3: CHANGES IN THE PROVINCIAL DEMOGRAPHICS FOR 2013-2018

Description	Period	Effective Change
Population growth rate	2013-2018	2,6% p.a, 12.9 million to 14,7 million
Population increase	2013-2018	Increase of 1.8 million or 13,9%
Number of households	2013	3.9 million
	2018	4,5 million an increase of 0.57 million or 14,4% increase

Source: Stats SA, IHS Markit and Quantec Easy Data, 2019

Table 3 shows changes in the Gauteng population and its household structure for the years 2013 and 2018. The province’s population continue to rise reaching 14.7 million in 2018, compared to the 12.9 million it recorded in 2013. Between 2013 and 2018, Gauteng population grew at an average 2.6 per year. In 2018, there were 4.5 million households in the province, an increase of 568 277 households (or 14.4 per cent) compared to 2013.

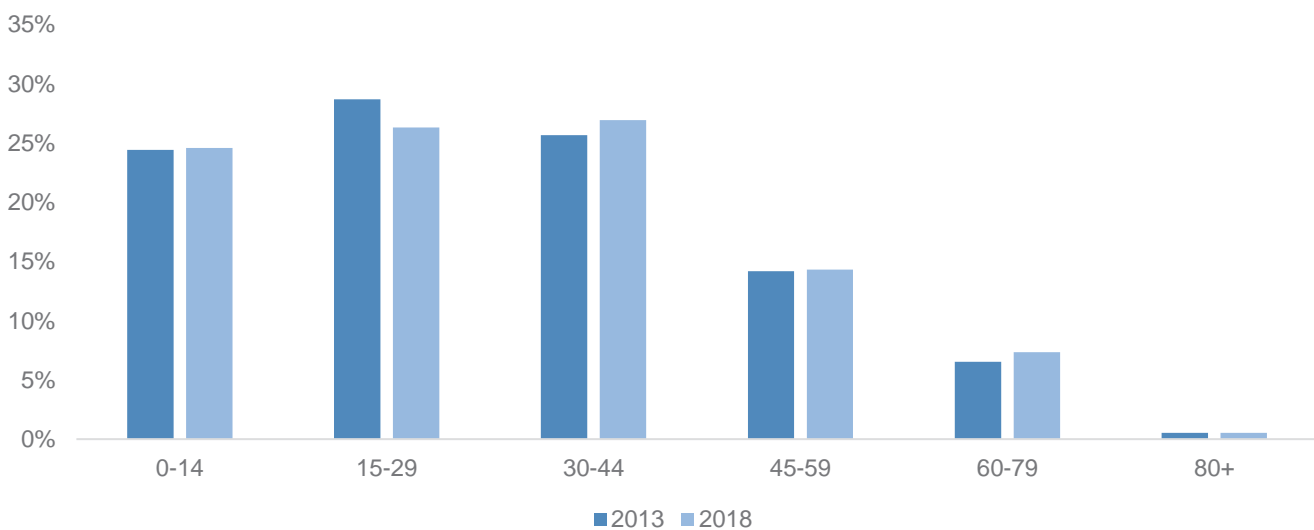
TABLE 4: GAUTENG POPULATION BY GENDER & AGE DISTRIBUTION FOR 2018

Age-Cohort	Male	Female	Total
00-14	1 805 225	1 799 446	3 604 671
15-29	1 934 379	1 921 182	3 855 561
30-44	2 058 441	1 890 259	3 948 700
45-59	1 075 038	1 023 409	2 098 446
60-79	496 249	580 200	1 076 449
80+	22 587	54 329	76 916
Total	7 391 919	7 268 825	14 660 744

Source: Stats SA, 2019

Table 4 shows the Gauteng population by age distribution and gender for the year 2013 and 2018. During the period reviewed, the majority of the province’s population were between the 15-29 and 45-59 age cohorts, representing the working age population of the region. The table also indicates that there were about 7.4 million males and 7.3 million females residing in the province.

FIGURE 2: AGE DISTRIBUTION OF THE POPULATION FOR 2013 & 2018



Source: Stats SA, 2019

This figure expands on table 4 and shows the proportion of the total Gauteng population according to age distribution for 2013 and 2018. The age cohort with the highest share of the Gauteng population in 2013 was the 15-29 years at 28.7 per

cent although it decreased to 26.3 per cent in 2018. The 30-44-year age cohort made up the highest share of the population at 26.9 per cent in 2018. Similar to the South Africa population structure, the province has a youth population bulge. With the region’s average unemployment rate in excess of 20 per cent in the past 10 years. Most of this working age population is unable to find employment opportunities.

FIGURE 3: QUALIFICATION OF PEOPLE OLDER THAN 20 YEARS FOR 2013 & 2017

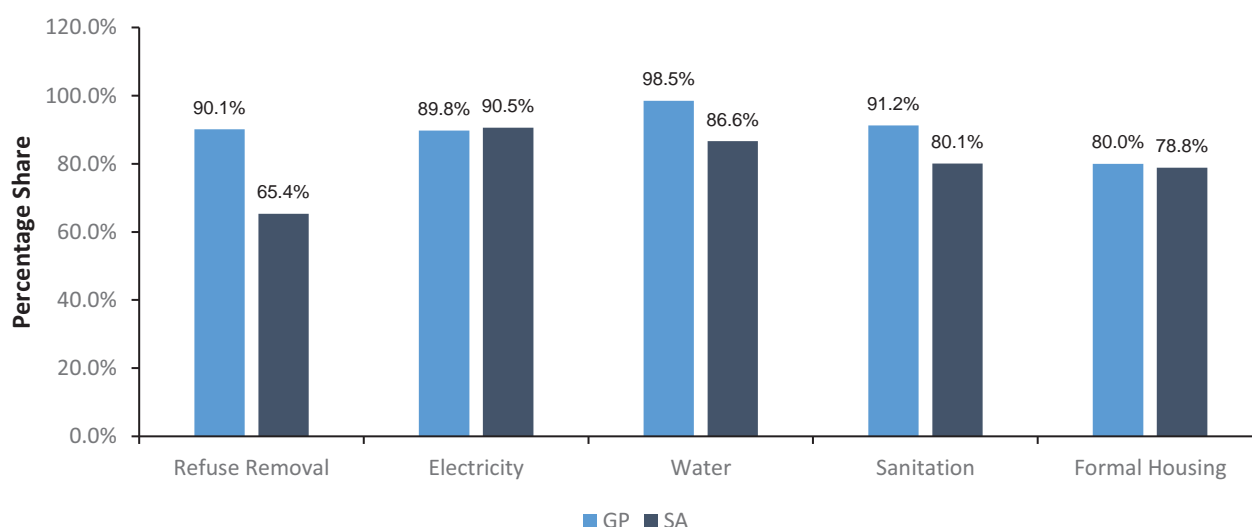


The figure shows that there has been a marginal decrease in the share of those with no schooling at 7.2 per cent in 2017 from 7.3 per cent in 2013. Although it is also marginal, the share of those with tertiary education increased from 10.7 per cent in 2013 to 10.8 per cent in 2018. The figure also indicates that in Gauteng, there are more people with secondary education qualifications, at a share of 60.3 per cent in 2017 compared to 60.4 per cent in 2013.

1.3 Socio-Economic Indicators

Despite the third consecutive increase in the Gauteng City Region Observatory’s (GCRO) quality of life, there is still a greater proportion of the Gauteng population without access to some services.³ For example, about 878 000 people in Gauteng are still without access to formal housing, which is about 20 per cent of households. This section analyses access to basic services for South Africa and the Gauteng province.

FIGURE 4: ACCESS TO HOUSEHOLD INFRASTRUCTURE – CHANGE IN GROWTH BETWEEN 2013 AND 2017



³ Gauteng City Region Observatory. (2018). *Key Insight from the GCRO’s 5th Quality of Life Survey (2017/18)*. Johannesburg.

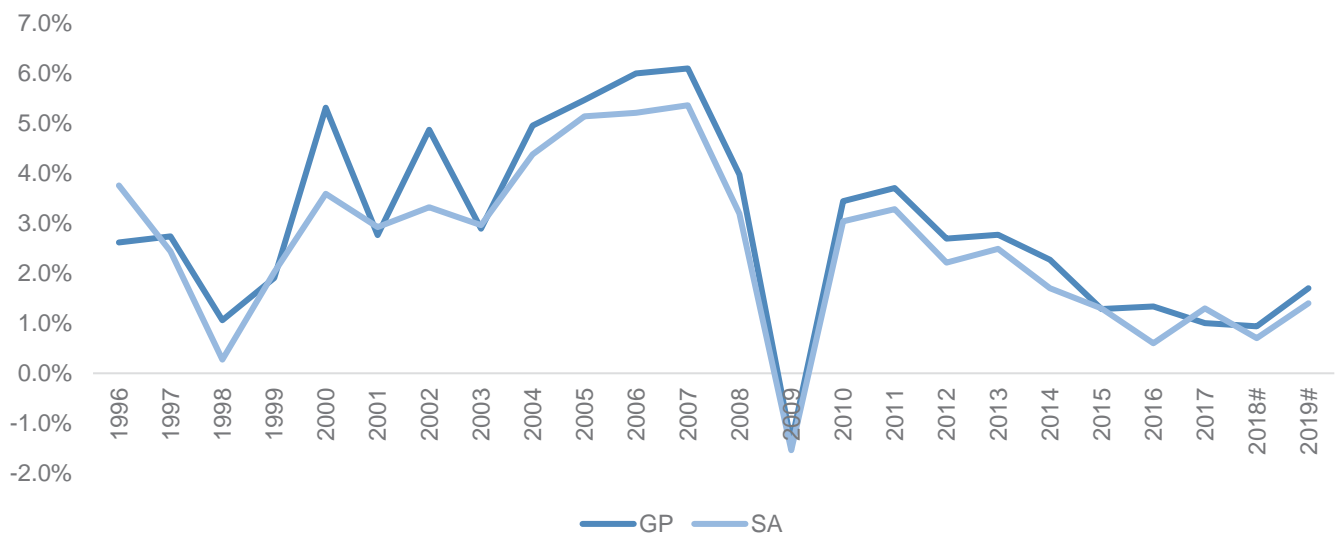
Source: IHS Markit, 2019

Figure 4 shows access to basic services in South Africa and in Gauteng for 2013 and 2017. Over the years, the provision of basic services has improved for the country and its provinces. However, there has been a marginal decrease in the proportion of households with access to formal housing in the province when comparing 2013 and 2018 numbers. Compared to the national level, the share of the population with access to refuse removal services was much higher in Gauteng at about 90 per cent in 2017, compared to only 65 per cent for South Africa.

1.4 Economic Indicators

The SARB, in its January Monetary Policy Committee meeting, estimates the country's economy to have grown by 0.7 per cent in 2018, compared to the 0.9 per cent growth recorded in 2017. IHS Markit, estimates the Gauteng economy to have increased by 0.9 per cent down from the 1.3 per cent it recorded in 2017. Despite this, Gauteng province still accounts for the largest share of the country's total economic activity at 35.3 per cent in 2017.⁴

FIGURE 5: GDP GROWTH IN GP & SA FOR 2011-2019#



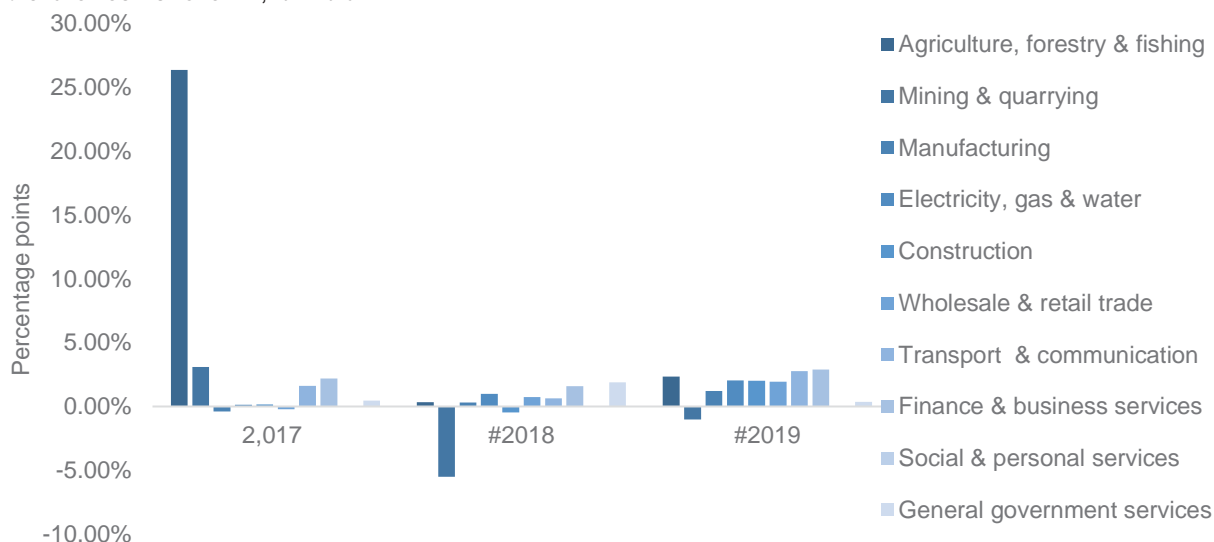
Source: Quantec Easy Data, IHS Markit & SARB, 2019

Note: # indicates estimates

Figure 5 shows the economic growth rates for Gauteng and South Africa for the period 1996 to 2019. The province's economic growth peaked at 6.1 per cent in 2007 before contracting by 1.4 per cent in 2009 during the global financial crisis but grew by 3.7 per cent in 2011. The province's growth reached 1 per cent in 2017, before slowing down to a growth rate 0.9 per cent in 2018. South Africa's economy followed the similar trend, peaking at 5.4 per cent in 2007, contracting by 1.5 per cent in 2009 before rising by 3.3 per cent in 2011. The SARB projects domestic growth to have averaged 0.7 per cent in 2018, up from its previous estimation of 0.6 per cent. In 2019, growth is forecast to average 1.5 per cent.

⁴ IHS Markit. (2019). *Regional eXplora Database Version 2.6D*. (Accessed 06th February): www.ihsglobalinsight.co.za.

FIGURE 6: SECTOR OUTPUT GROWTH, 2017-2019



Source: HIS Markit, 2019

Note: # indicates estimates

Figure 6 shows growth in output by sector for Gauteng for 2017, 2018 and the forecast for 2019. The figure indicates that in 2018, growth in output is expected to have slowed in finance, agriculture, and transport. Output slowed to 1.2 per cent in the finance sector in 2018, from the 2.2 per cent growth recorded in 2017. Similarly, output in the agricultural declined to 1.6 per cent from 26.4 per cent in 2017, whilst it decreased by 0.8 per cent in transport. Contractions in output in the manufacturing and mining sectors softened; growth in output contracted by 0.4 and 4.5 per cent in 2017 and by 0.3 per cent and 1.8 per cent in 2018, respectively. Output in the trade sector rebounded -0.2 per cent in 2017 to 0.7 per cent in 2018. Output growth increased in government services from 0.5 per cent to 1.7 per cent. The Gauteng economy is driven by services sectors, with the tertiary sector accounting for the largest share of economic output at 74.7 per cent in 2018. Within the tertiary sector, finance services, government services and trade, each contributed 25.2 per cent, 25.9 per cent and 13.7 per cent, respectively.

TABLE 5: HOUSEHOLD INCOME DISTRIBUTION FOR 2013 and 2018

Annual Income Per Household	2013		2017	
	Number of Households	Percentage of Households	Number of Households	Percentage of Households
Less than R12 000	177 925	4.51%	95 489	2.18%
R12 001 to R42 000	996 901	25.27%	965 901	22.01%
R42 001 to R96 000	963 795	24.43%	1 116 301	25.44%
R96 001 to R360 000	1 143 579	28.98%	1 328 288	30.27%
R360 001 to R2 400 000	652 688	16.54%	862 876	19.66%
More than R2 400 000	10 692	0.27%	19 242	0.44%
Total	3 945 580	100.00%	4 388 097	100.00%

Source: IHS Markit, 2019

Note: The number of households by income distribution is until 2017.

Table 5 shows the income distribution of households in Gauteng for 2013 and 2017. In 2017, the annual income per household that constituted the largest number of households was the R96 001 to R360 000 range, which accounted for 28.4 per cent of total households. This, however, was a decline compared with 29 per cent in 2013. The second largest percentage of households was in the income range R12 001 to R42 000 at 25.6 per cent of the households, a slight improvement from 25.3 per cent recorded in 2013. The income range of more than R2.4 million per annual constituted the lowest percentage of households at 0.2 per cent in 2017.

2. Medium term expenditure framework and the budget process

The purpose of the Medium Term Expenditure Framework (MTEF) is to ensure that budgets reflect government's social and economic priorities and also give substance to government's reforms and development commitments, while ensuring overall fiscal discipline. It is a three-year spending plan through which the cabinet and the other spheres of government establish credible conventions for allocating public resources to their strategic priorities.

The main benefits of the MTEF includes, allocation of resources to priority services; more efficient planning and management; a framework within which policy proposals can be assessed; more transparency in government; a reduction in roll-overs; and a clear demonstration of how fiscal targets will be met. The MTEF supports the ongoing reprioritisation of resources while providing stability and certainty within the budget process.

The Gauteng Provincial Government (GPG) continues to use the MTEF to link the amount of funds spent on a service with the quality and quantity of the service provided. It emphasises transparency as a key driver of the budget process thereby ensuring that budget documentation that holds policy goals and resource allocation are clearly set out. In this way, it empowers GPG to determine priorities and deliver change by providing an analysis of the efficiency of service delivery and indicates areas, which demand more attention.

The Provincial Executive Council (EXCO) started the 2019 MTEF process by determining the strategic direction of the province. Thereafter, the Gauteng Provincial Treasury held the budget forum meetings with provincial departments and entities in July 2018, with the purpose to improve budget planning, implement reforms and explain budget principles to ensure alignment to the National Development Plan (NDP), the 2014-2019 Medium Term Strategic Framework (MTSF), and the Ten-Pillar Programme of Transformation, Modernisation and Re-industrialisation (TMR).

The theme for the Provincial Medium Term Expenditure Committee meetings held with clusters of provincial departments on 25-28 September 2018 was "Consolidating the Gains of the Fifth Administration and Setting the Scene for the Next Term of Office". Given this theme, the compilation of government plans and budgets had to be able answer the following key questions clearly: firstly, what deliverables did the government finalise during the ending term? Secondly, what in-year budget pressures had to be addressed to facilitate and expedite the completion of deliverables during the 2018/19 financial year? Thirdly, which other deliverables should be carried forward to the 2019 MTEF? Therefore, the 2019 MTEF budget serves as a bridge between the Fifth administration and the Sixth administration.

During these meetings, the provincial departments and entities presented their spending proposals and demonstrated the alignment of their respective budgets with strategic objectives and government's priorities. The outcome of these meetings informed the recommendations for the resource allocation submitted for the consideration of the Premier's Budget Committee when finalizing the provincial allocations.

The 2019 MTEF budget will be tabled for adoption in the Gauteng Provincial Legislature on 5 March 2019. Subsequent to that, provincial departments will commence spending the approved budgets in accordance with the approved plans. However, the rate of expenditure may be impacted by the implementation of Section 29 of the PFMA. The In-Year Monitoring and Reporting (IYM) and the Quarterly Performance Reports (QPRs) will be used to monitor both financial and non-financial performance on a monthly and quarterly basis respectively. Assessments of these reports will be conducted by various stakeholders in order to ensure that effective service delivery is maximised. Provincial departments must at all times maintain fiscal discipline and efficiency when spending the allocated budget in order to ensure that service delivery is continuously improved.

3. RECEIPTS

3.1 Overview of provincial receipts

Provincial receipts consist of the national transfers (i.e. equitable share and conditional grants) and the provincial own receipts. Equitable share is an unconditional transfer designed to assist in delivery of basic services and assigned functions. Conditional grants are additional transfers from national government with conditions to address national priorities, programmes or policy imperatives. The main sources of provincial own receipts are motor vehicle licences, casino taxes, patient fees and interest earned on short term investments..

TABLE 6: SUMMARY OF PROVINCIAL RECEIPTS

R thousand	Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
		2018/19		2019/20	2020/21	2021/22
Transfers from national	114 894 923	114 894 923	114 894 923	125 525 314	135 693 787	146 451 164
Equitable share	93 384 285	93 384 285	93 384 285	102 448 280	111 635 689	120 699 800
Conditional grants	21 510 638	21 510 638	21 510 638	23 077 034	24 058 098	25 751 364
Provincial own receipts	6 014 366	6 144 380	6 625 722	6 326 420	6 699 950	7 073 715
Total provincial receipts	120 909 289	121 039 303	121 520 645	131 851 735	142 393 737	153 524 879
Provincial payments						
Current payments	95 087 232	97 199 516	98 275 889	105 527 017	112 361 818	121 564 843
Transfers and subsidies	16 138 387	20 349 160	19 956 064	21 645 883	22 333 579	23 435 582
Payments for capital assets	10 133 536	5 729 403	6 410 018	5 269 601	5 750 122	5 389 537
Payments for financial assets		772	7 344			
Total provincial payments	121 359 155	123 278 851	124 649 315	132 442 501	140 445 519	150 389 962
Surplus/(deficit) before financing	(449 866)	(2 239 548)	(3 128 670)	(590 766)	1 948 218	3 134 917
Financing						
Direct charges	(77 014)	(77 014)	(77 014)	(79 116)	(83 112)	(87 708)
Financing from revenue fund	541 881	2 331 562	2 331 562	714 882		
Surplus/(deficit) after financing	15 000	15 000	(874 122)	45 000	1 865 106	3 047 209

Table 6 shows a summary of provincial receipts. Transfers from the national government increased from R114.9 billion in 2018/19 to R146.4 billion in 2021/22.

The provincial own receipts main appropriation increased from R6 billion to R6.1 billion during the 2018/19 adjustments budget process due to two provincial departments exceeding the appropriation for own receipt significantly within the first six months. The provincial own receipts are projected to increase by R747.3 million from R6.3 billion to R7 billion over the 2019 MTRF. The Province will continue to implement the Revenue Enhancement Strategy to optimize collection of provincial own receipts over the MTRF.

3.2 Equitable share

Section 214 of the Constitution requires that the Division of Revenue Act be enacted to determine the equitable division of revenue raised nationally among the national, provincial and local spheres of government. The equitable share is allocated using a formula that uses objective data about the context and demand for services in each of the nine provinces. The provincial equitable share formula is designed to ensure fair, stable and predictable revenue shares, and to address economic and fiscal disparities.

The equitable share is the main source of revenue for provinces. It provides funding for social services including education, health and social development; and for economic functions such as agriculture and roads; and for provincial governance and administration.

TABLE 7: EQUITABLE SHARE ALLOCATION FOR GAUTENG PROVINCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Equitable share	74 100 214	79 599 868	86 642 989	93 384 285	93 384 285	93 384 285	102 448 280	111 635 689	120 699 800

The equitable share for Gauteng Province increased by R12.5 billion from R74.1 billion in 2015/16 to R86.6 billion in 2017/18, which shows an annual average growth rate of 8.5 per cent. The equitable share amounts to R93.4 billion in 2018/19 and it increases to R120.7 billion in 2021/22. The increase in the equitable share over seven financial years under review is R46.6 billion or 10.5 per cent annual average.

The provincial fiscal framework over the 2019 MTEF increases. The social services sector is the main contributor to the growth, with conversions from conditional grants to the equitable share and reprioritisations among the conditional grants to accelerate the development of key social interventions. The national government continued to implement the fiscal consolidation programme alongside the additions to the budget in order to fund spending on new priorities.

3.3 Conditional grants

The conditional grants are transfers from the national government to which conditions are attached. The grants have limited flexibility as they are designed to finance nationally determined priorities and to reimburse provinces for providing services. The conditional grants are designed to achieve specific objectives, and provinces must fulfil certain conditions to receive them.

The national government transfers four types of conditional grants to provinces. These types are:

- grants that supplement programmes partly funded by provinces;
- grants that fund specific responsibilities and programmes implemented by provinces;
- grants that provide in-kind allocations through which a national department implements projects in provinces; and
- grants that provide for the swift allocation and transfer of funds to a province to help it deal with a disaster.

TABLE 8: CONDONAL GRANTS ALLOCA11ON FOR GAUTENG PROVINCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Conditional grants	17 054 810	18 888 640	20 828 376	21 510 638	21 510 638	21 510 638	23 077 034	24 058 098	25 751 364

From 2015/16 to 2017/18, the conditional grants increased by R3.8 billion from R17 billion to R20.8 billion. The conditional grants increase from R21.5 billion in 2018/19 to R25.7 billion in 2021/22. The increase is R8.7 billion over seven financial years, and it represents 8.5 per cent growth rate per annum on average.

TABLE 9: SUMMARY OF CONDITIONAL GRANTS BY VOTE

R thousand	Medium-term estimates		
	2019/20	2020/21	2021/22
Health	11 570 305	12 488 920	13 606 535
Comprehensive HIV, Aids and TB Grant	4 766 734	5 279 737	5 978 288
Of Which: Community Outreach Services Component	270 779	285 943	466 191
Hospital Facility Revitalisation Grant	859 028	909 450	980 733
Health Professions Training and Development Grant	1 027 240	1 083 738	1 143 343
National Tertiary Services Grant	4 724 843	5 041 407	5 318 684
Human Papillomavirus Vaccine Grant	28 841	30 427	32 100
Human Resources Capacitation Grant	135 235	144 161	153 387
EPWP Integrated Grant	2 187		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	26 197		
Education	2 454 072	2 468 010	2 635 812
Education Infrastructure Grant	1 474 715	1 440 169	1 551 501
HIV and Aids (Life Skills Education) Grant	37 907	39 869	42 062
National School Nutrition Programme Grant	849 075	895 774	945 042
Maths, Science and Technology Grant	56 042	58 483	61 638
Learners with Profound Intellectual Disabilities Grant	31 259	33 715	35 569
EPWP Integrated Grant	2 089		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	2 985		
Social Development	91 261	72 658	76 655
Early Childhood Development Grant	68 097	72 658	76 655
Subsidy Component	60 993	65 076	68 656
Maintenance component	7 104	7 582	7 999
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	23 164		
Transport	3 209 966	3 269 126	3 463 482
Provincial Roads Maintenance Grant	767 506	669 835	721 233
Public Transport Operations Grant	2 436 074	2 599 291	2 742 249
EPWP Integrated Grant	6 386		
Agriculture, Forestry and Fisheries	131 471	139 196	149 757
Comprehensive Agricultural Support Programme Grant	91 306	99 476	107 650
Ilima/Letsema Projects Grant	31 974	33 733	35 791
Land Care Programme Grant: Poverty Relief and Infrastructure Development	5 675	5 987	6 316
EPWP Integrated Grant	2 516		
Sport, Arts, Culture and Recreation	262 007	276 218	292 829
Community Library Services Grant	167 784	177 681	188 003
Mass Participation and Sport Development Grant	92 223	98 537	104 826
EPWP Integrated Grant	2 000		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces			
Cooperative Governance and Traditional Affairs	2 004		
EPWP Integrated Grant	2 004		
Human Settlements	5 331 071	5 343 970	5 526 294
Human Settlements Development Grant	5 164 409	4 319 346	4 293 873
Title Deeds Restoration Grant	156 204	164 795	
Informal Settlements Upgrading Partnership Grant for Provinces		859 829	1 232 421
EPWP Integrated Grant	10 458		
Community Safety	1 000		
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	1 000		
Infrastructure Development	23 878		
EPWP Integrated Grant	23 878		
Total conditional grants	23 077 035	24 058 098	25 751 364

Table 9 above shows a breakdown of the conditional grants allocations per department over a period of three financial years ending in 2021/22. The conditional grants increase from R23.1 billion in 2019/18 to R25.7 billion in 2021/22.

Department of Agriculture and Rural Development

The allocations for the **Comprehensive Agriculture Support Programme** reduce to fund the foot and mouth disease facility that the Agricultural Research Council will establish. The national Department of Agriculture, Forestry and Fisheries receives a portion of the grant that the National Treasury did not allocate to the agriculture sector in the previous financial years. This amount is allocated for transfers to the Land Bank to fund the blended finance mechanism.

Department of Health

The baselines for the **Comprehensive HIV, Aids and TB Grant** change to fund the creation of a new component called the Malaria component that provides for sustainable funding for malaria interventions. The Tuberculosis portion of the grant becomes a separate component to improve the monitoring of the tuberculosis spending and outcomes. The baseline for the Comprehensive HIV, AIDS Grant component reduces based on the updated performance data for patients that are still on the antiretroviral programme. The allocation for this grant reduces to provide for the regional co-financing project for malaria elimination. The allocation for the Community Outreach Services component increases to fund the minimum wage of Community Health Workers, based on the number of these workers per province.

A slow spending pattern in the **Health Facility Revitalisation Grant** causes a reduction in the allocations in the first two years of the 2019 MTEF. The budget cuts from the grant have funded the other critical services.

Department of Education

Changes to the baselines of the **Education Infrastructure Grant** include an increase to provide for the decommissioning of pit latrine structures in schools and include a decrease following the reprioritisation of the baselines to fund cost pressures in government.

Department of Human Settlements

Changes to the baselines for the **Human Settlements Development Grant** include an increase resulting from the reallocation of the Title Deeds Restoration Grant back to the Human Settlements Development Grant. They also include additional funds allocated to support the individuals in the gap market who purchase homes. A decrease relates to the amount reallocated from the grant towards the National Housing Finance Cooperation for the Finance Linked Individual Subsidy Programme. The grant will reduce from 2020/21 to create a separate conditional grant for upgrading informal settlements. The other decrease is part of the fiscal consolidation programme.

Department of Infrastructure Development

The baselines for the **Expanded Public Works Integrated Grant for Provinces** reduce as part of identifying savings in each department.

Department of Roads and Transport

The **Public Transport Operations Grant** includes the unallocated funds that are ring-fenced in Gauteng Province until the process of awarding the Moloto contract is complete.

The **Provincial Roads Maintenance Grant** increases after the allocation of the incentive based on last financial year's performance data. The coal haulage allocation, which ends in 2019/20, will be reallocated to the performance component of the Provincial Roads Maintenance Grant as from 2020/21. Reductions in the grant provide for the fiscal pressures in government.

3.4 Provincial own receipts

GPG own receipts collection contributes approximately 5 per cent of total budget while the national transfers constitute about 95 per cent. Provincial own receipts play an important role in supplementing the national transfers (equitable share and conditional grants).

The Province derives own receipts mainly from the motor vehicle licence fees, gambling taxes, patient fees and interest revenue that the Department of Roads and Transport (DRT), the Department of Economic Development, the Department of Health and the Gauteng Provincial Treasury, respectively, generate. These four sources of own receipt combined, account for approximately 98 per cent of the provincial receipts. The remaining 2 per cent comes from the Department of Education through exam-related fees, the Department of Community Safety through traffic fines, the Department of Agriculture and Rural Development through environmental impact assessment and nature reserves fees and the Department of Infrastructure Development by way of property rental fees.

TABLE 10: SUMMARY OF PROVINCIAL OWN RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Office Of The Premier	467	553	635	529	529	529	558	589	622
Economic Development	871 325	915 004	991 218	1 043 025	1 043 025	1 043 025	1 052 881	1 113 996	1 180 658
Health	479 296	535 254	546 917	507 949	507 949	719 748	536 796	566 320	597 468
Education	51 408	49 089	38 445	31 971	31 971	37 499	32 770	34 572	36 439
Social Development	3 976	4 267	11 407	3 409	3 409	3 905	3 601	3 799	4 008
Cooperative Governance And Traditional Affairs	358	1 743	491	563	563	233	594	627	661
Human Settlements	37 658	10 915	2 903	5 181	5 181	5 181	5 471	5 772	6 090
Roads And Transport	3 278 227	3 477 137	3 783 823	3 892 911	3 892 911	3 913 698	4 110 915	4 337 016	4 575 552
Community Safety	44 210	40 749	45 433	34 245	34 245	34 245	35 780	37 617	39 596
Agriculture And Rural Development	8 044	16 578	16 245	16 386	16 386	14 818	17 304	18 255	19 258
Sport,Arts,Culture And Recreation	659	591	376	397	622	622	403	425	448
E-Government	1 807	556	1 120	638	638	5 210	665	702	741
Provincial Treasury	623 896	659 025	621 440	451 611	581 400	821 458	501 701	551 795	582 144
Infrastructure Development	20 273	20 108	31 628	25 550	25 550	25 550	26 981	28 465	30 030
Total provincial own receipts	5 421 604	5 731 569	6 092 081	6 014 366	6 144 380	6 625 722	6 326 420	6 699 950	7 073 715

The table above shows own receipts collected over the seven-financial year period, per department. GPG departments collected R5.4 billion in 2015/16 and this increased to R6.1 billion in 2016/17. The estimated R6 billion in 2018/19 was adjusted to R6.1 billion due to Provincial Treasury significantly over-collecting on interest revenue in-year. Over the 2019 MTRF period, total revenue will increase by R747 million from R6.3 billion in 2019/20 to R7.0 billion in 2021/22 indicating an average annual growth rate of 6 per cent.

As one of the main revenue generating departments in GPG, the Department of Roads and Transport generates its receipts mainly from motor vehicle licences, with municipalities and the South African Post Office (SAPO) acting as revenue collecting agents on behalf of the department as provided for in the Road Traffic Act (Act 93 of 1996). The department collected a total amount of R10.7 billion between the 2015/16 and 2017/18 financial years with an average annual growth rate of 5.6 per cent. The department's revised estimates amount to R3.9 billion. Over the 2019 MTRF, the DRT anticipates to collect R4.1 billion, R4.3 billion and R4.6 billion in 2019/20, 2020/21 and 2021/22; respectively showing an average annual growth rate of 5.5 per cent

The Department of Economic Development is the second biggest contributor to the provincial own receipts through gambling taxes (casino and horse). The department's entity, the GGB collects the gambling taxes and in turn receives a commission to fund its operations. The department collected R871.4 million in 2015/16, this increased to R915 million in 2016/17 with an average annual growth rate of 6 per cent. The department has revised the 2019 MTRF downward due to the treatment of commission payable to the GGB. The department projects to collect R1.052 billion in the 2019/20 financial year, increasing to R1.180 billion in the 2021/22 financial year showing an average growth increase of 5.5 per cent.

The third largest contributor is the Department of Health, with its collection that consists mainly of patient fees. The department's own revenue collection increased from R479 million to R546 million with R67 million between 2015/16 and 2017/18, showing an average annual growth rate of 4.4 per cent. The department projects to collect R536.8 million in 2019/20, R566.3 million in 2020/21 and R597.4 million in 2021/22, showing an average annual growth rate of 5.5 per cent.

The Gauteng Provincial Treasury collects receipts mainly from interest generated from favourable cash balances. The department projects to collect R501.7 million in 2019/20, R551.8 million in 2020/21 and R582.1 million in 2021/22 showing an increase of R80.4 million over the 2019 MTRF and an average annual growth rate of 7.7 per cent.

TABLE 11: SUMMARY OF PROVINCIAL RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	4 088 031	4 315 171	4 704 267	4 851 588	4 851 588	4 851 588	5 074 865	5 357 177	5 657 202
Casino taxes	828 997	870 030	948 608	1 000 864	1 000 864	1 000 864	1 008 684	1 068 611	1 132 765
Horse racing taxes	42 002	40 179	38 618	39 000	39 000	39 000	41 000	42 000	44 310
Liquor licences									
Motor vehicle licences	3 217 032	3 404 962	3 717 041	3 811 724	3 811 724	3 811 724	4 025 181	4 246 566	4 480 127
Sales of goods and services other than capital assets	553 896	625 741	628 530	623 612	623 546	736 887	658 206	694 382	732 452
Transfers received		30	1			2 043			
Fines, penalties and forfeits	28 114	28 394	33 534	31 331	31 331	29 869	32 420	33 647	35 497
Interest, dividends and rent on land	629 494	663 552	625 086	454 589	584 589	824 729	504 702	554 971	585 508
Sales of capital assets	26 146	15 956	22 191		12	3 850			
Transactions in financial assets and liabilities	95 923	82 725	78 472	53 246	53 314	176 756	56 227	59 773	63 056
Total provincial own receipts	5 421 604	5 731 569	6 092 081	6 014 366	6 144 380	6 625 722	6 326 420	6 699 950	7 073 715

The table above reflects the summary of provincial own receipts collected over the seven financial year period per economic classification. Over the 2019 MTRF, total revenue increases by R747 million; from R6.3 billion in 2019/20 to R7.1 billion in 2021/22, reflecting an average annual growth rate of 6 per cent. Tax receipts, consisting mainly of gambling taxes and motor vehicle licenses, contributes a huge percentage toward the total revenue collected in the province at 76 per cent. Tax receipts are estimated at R5.1 billion in 2019/20, R5.4 billion in 2020/21 and R5.7 billion in 2021/22, reflecting an annual growth rate of 3.6 per cent over the 2019 MTRF. The motor vehicle licence fees contribute the largest share towards tax receipts, budgeted at R4 billion in 2019/20, R4.2 billion in 2020/21 and R4.5 billion in 2021/22, reflecting an annual growth rate of 3.6 per cent.

Sales and goods of services other than capital assets, to which patient fees contribute the highest share, will increase at an annual average of 3.6 per cent. Interest, dividends and rent on land includes interest generated from short-term provincial investments and is collected by Treasury. This source will increase at an annual average growth rate of 5 per cent over the MTRF. Fines, penalties and forfeits will increase by 3.6 per cent.

3.5 Summary of provincial additional funding

TABLE 12: SUMMARY OF PROVINCIAL ADDITIONAL FUNDING (EXCLUDING INFRASTRUCTURE AND CONDITIONAL GRANTS)

R thousand	Medium-term estimates		
	2019/20	2020/21	2021/22
Office of the Premier	300 000	150 000	
Health	1 092 417	1 173 311	1 398 756
Education	1 545 505	2 085 678	2 728 917
Social Development	136 181	134 241	145 183
Cooperative Governance and Traditional Affairs	65 000		
Human Settlements	120 000		
Agriculture and Rural Development	20 000	20 550	13 130
Sports, Arts, Culture and Recreation	46 300	55 594	51 590
e-Government	80 000	80 000	80 000
Gauteng Provincial Treasury	5 000	5 000	5 000
Infrastructure Development	200 000	215 500	232 303
Total provincial estimates by Vote	3 610 404	3 919 875	4 654 879

The table above shows the additional funding in the form of equitable share allocated to provincial departments. The additional funding allocated to provincial departments amounts to R3.6 billion in 2019/20, R3.9 billion in 2020/21 and R4.6

billion in 2021/22. These amounts include the carry-through effect of funds allocated to provincial departments during the 2018/19 adjustments budget process and the funds allocated for the priorities over the 2019 MTEF. Over this period, the Gauteng Department of Health and the Gauteng Department of Education receive the largest allocation amounting to R3.6 billion and R6.4 billion, respectively. The details of the additional allocations per provincial department are as follows:

Office of the Premier

The Office of the Premier receives R300 million in 2019/20 and R150 000 million in 2020/21 to provide for pay-outs to the claimants and families of the mental health care users following the outcome of the alternative dispute resolution process undertaken in the Province.

Gauteng Department of Health

A total of R3.6 billion is added to the budget baselines of the department over the MTEF. The amount includes R1.9 billion to supplement the personnel bill of healthcare professionals and R620.5 million to fund the increasing cost of the South African Cuban Student Doctor Programme. It also includes R950.4 million to alleviate the pressure in the department's budget for goods and services and R150.1 million to obtain a suitable office accommodation following a fire incident in the Bank of Lisbon building.

Department of Education

The department receives an additional amount of R1.5 billion in 2019/20, which totals R6.4 billion over the MTEF to augment the personnel budget caused by the ongoing growth in learner numbers, to fund the payment of subsidies to qualifying independent schools and to provide specialized scholar transport to Learners with Special Education Needs.

Department of Social Development

The department's budget baselines increase by R415.6 million over the MTEF. The additions to the baselines provide for the absorption of social worker graduates and the supervisors for these employees (i.e. R260.5 million) and for the filling critical posts at head office and regional offices as well as the purchase of tools of trade (i.e. R113.9 million). The additions also provide for the management of contracts pertaining to food relief programmes (i.e. R13.7 million) and for the distribution of dignity packs to school girls in Grade 4 upwards (i.e. R18.3 million).

Department of Corporate Governance and Traditional Affairs

An amount of R65 million is added to the budget baseline in 2019/20. The department will use R20 million of this additional budget towards the refurbishment of the water pump station in Emfuleni Local Municipality and R45 million to fund the operational requirements for the Disaster Management Services in West Rand District Municipality.

Department of Human Settlements

An additional funding of R120 million is received to assist the department in 2019/20. This amount includes R75 million as a once-off assistance to the department and R45 million for rates and taxes for non-transferred RDP stock and five provincial hostels.

Department of Agriculture and Rural Development

The additions to the department's budget baselines amount to R53.7 million over the MTEF. The department will use R22 million to fund the appointment of veterinarians in townships along the four corridors, as per the requirements of the Primary Animal Health Care compulsory community service. It will also use R31.7 million to fund the cost of additional employees required to achieve a turnaround time of 30 days in the applications for environment impact assessment.

Department of Sport, Arts, Culture and Recreation

A total of R153.5 million is added to the budget baselines of the department over the MTEF. R126.7 million is allocated to operationalize libraries across the Gauteng City Region so that communities have well-resourced and functioning libraries in support of a culture of reading and writing.

R16.9 million is allocated for the creative industries to fund the development of script and content, the provision of post-production and research facilities in the townships and the provision of equipment and access to film services, marketing and distribution.

R6.7 million is allocated for the Tri-colour games as per the signed agreement between the Gauteng Premier and Reggio Emilia of Italy. The agreement provides for economic, social and technological cooperation.

R3.2 million is allocated for social cohesion. The Department is working with associations within African Diaspora, Hellenic, Italian and Portuguese (HIP) alliance, the South African Football Association and various NGOs within communities using rugby and football as the medium of sports to bring people together.

Department of e-Government

The budget baselines increase by R80 million in each financial year of the 2019 MTEF to fund the implementation of Phase 2 of the Gauteng Broadband Network project. This phase involves providing connectivity to all remaining provincial sites and providing three agencies with connectivity to WAN.

Gauteng Provincial Treasury

The Department receives R5 million per annum over the next three financial years to fund the interventions aimed at improving the infrastructure delivery in the Province and to support the economic growth and service delivery.

Department of Infrastructure Development

The budget baselines increase by R200 million in 2019/20, R215.5 million in 2020/21 and R232.3 million in 2021/22. A total of R331 million over the MTEF provides for the payment of accruals in rates and taxes for the immovable property for the provincial government. A total of R316.8 million over the MTEF is for the Kopanong Precinct project to provide for additional infrastructure projects and maintenance requirements.

4. PAYMENTS

4.1 Payments by vote

The 2019 MTEF budget gives expression to the Gauteng Provincial Government's commitment to offering essential government services to the people of the Gauteng and to continue its transformation agenda through radical economic transformation, decisive spatial transformation, accelerated social transformation and transformation of the state and governance. The Province will continue taking the lead in the new industrial revolution by re-industrialisation of the Province and modernisation of the public service, modernisation of the economy, human settlement and urban development and the provision of the public transport infrastructure.

TABLE 13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY VOTE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Office Of The Premier	417 689	470 326	607 253	702 694	839 378	843 673	996 271	883 984	781 826
Gauteng Provincial Legislature	562 071	606 149	645 325	715 824	715 824	715 824	761 430	806 130	858 075
Economic Development	1 270 844	1 359 269	1 409 824	1 510 450	1 536 399	1 536 399	1 581 240	1 674 950	1 774 792
Health	34 864 555	37 440 067	42 013 459	46 429 326	46 862 330	48 204 073	50 767 163	54 301 160	58 832 276
Education	36 296 522	39 409 926	41 414 305	45 220 540	45 711 906	45 711 906	49 809 551	52 868 747	57 560 507
Social Development	3 942 241	4 251 803	4 481 860	4 983 495	5 009 429	5 009 429	5 516 852	5 807 859	6 248 512
Cooperative Governance And Traditional Affairs	368 851	455 876	432 917	468 235	533 235	523 242	562 282	526 662	565 980
Human Settlements	4 742 709	5 957 683	5 964 008	5 888 425	6 062 042	6 106 312	6 216 526	6 161 145	6 403 170
Roads And Transport	6 259 301	7 771 989	6 786 959	7 713 818	8 116 913	8 114 213	7 708 630	8 535 971	7 927 078
Community Safety	693 552	632 647	731 148	719 495	752 015	752 015	759 224	805 075	862 147
Agriculture And Rural Development	811 438	771 423	747 262	957 000	997 764	997 764	990 202	1 069 563	1 165 226
Sport, Arts, Culture And Recreation	704 333	810 112	792 575	942 652	1 008 196	1 008 196	1 058 424	1 136 450	1 183 314
E-Government	1 154 906	1 237 378	1 333 611	1 273 826	1 390 793	1 390 793	1 413 914	1 496 959	1 592 631
Gauteng Provincial Treasury	555 189	616 351	625 959	796 413	705 663	698 512	834 950	887 032	951 909
Infrastructure Development	2 416 103	2 563 607	2 859 021	3 036 964	3 036 964	3 036 964	3 465 840	3 483 832	3 682 518
Total payments and estimates	95 060 304	104 354 606	110 845 486	121 359 156	123 278 851	124 649 315	132 442 501	140 445 519	150 389 962

Table 13 presents the payments and MTEF estimates for the Province per vote. The trend shows an increase in spending and allocation over MTEF. The provincial funding is redirected towards social transformation for the betterment of the lives of all Gauteng residents in line with the TMR Programme. The provincial spending increased from R95.1 billion in 2015/16 to R110 billion in 2017/18. The adjustments budget process in 2018/19 increased the main budget from R121.4 billion to R123.3 billion. The budget increases from R132.4 billion to R150.4 billion over the MTEF. Of these budget amounts, the combined budgets of the Department of Health and the Department of Education exceed R100 billion in each financial year over the MTEF and which represents an annual average of 77 per cent of the total budget. The Department of Roads and Transport receives the third largest budget and the Department of Human Settlements receive the fourth largest budget in the Province.

The share of the Department of Health in the total budget for the Province is 38 per cent. The budget increases from R50.7 million in 2019/20 to R54.3 million in the middle year and to R57.6 million in the outer year of the 2019 MTEF. The department's budget provides mainly for the patients care and safety, the strengthening of the primary health care services to provide treatment at the appropriate level, the maternal and neonatal care programme and mental health care services. The budget also provides for the non-negotiable line items as approved by the National Department of Health to improve the quality of health services including blood services, medicine and medical supplies.

In addition to the Department of Health's operational requirements, the budget includes R16 billion allocated over the MTEF to fund the district health facilities to combat HIV/AIDS and to decrease the burden of Tuberculosis (TB) disease. This allocation provides for programmes directed at preventing and reducing HIV infections and at TB treatment, counselling and screening services.

The total budget also includes R28.4 billion allocated over the MTEF to render the primary health care services rendered at community health clinic, centres and district hospitals, and to render the community based services at non-health facilities. The e-Health infrastructure will be implemented, using R616.5 million allocated over the MTEF, to improve patient care, empower patients to understand their health, gain access to the health systems and to improve efficiency of the health system. The Emergency Medical Services will benefit from the implementation of the Ambulance Re-capitalization Project and the implementation of EMS norms and standards to improve safety of patients that are funded over the MTEF.

The budget of R49.8 billion for Department of Education in 2019/20 is the second largest and it accounts for 37% of the total provincial allocation. The Education Department of Education will continue to implement the following priorities over the 2019 MTEF: Improving learner performance in Grade 3, 6 and 9; improving pass rate and quality of matric results; improving enabling conditions at schools through a focus on the functionality of schools; Infrastructure development and maintenance of school buildings with the aim of eradicating the backlog of learning space and preventative maintenance projects. Education budget makes provision for transfers and subsidies to institutions and school; Implementation of the National School Nutrition Policy; Provision of LTSM, workbooks and lesson plans for learners; District development and support; Reduction of class size; Provision for therapists and social workers to schools to support learners; and Implementation and maintenance of intervention strategies such as mainstreaming the Gauteng Primary Language and Mathematics Strategy, Secondary School Improvement Programme, Teacher Development Strategy and Extra School Support Programme.

The total budget for the Department of Education amounts to R160.1 billion over the MTEF. Additional funds are allocated for school nutrition, municipal services, school furniture, scholar transport for LSEN, inclusive education and scholar transport. The budget provides for procurement of LTSM for Section 20 schools, provision for scholar transport, allocations for school furniture and other administrative costs within the department. The increase in the allocation for scholar transport and school nutrition programme supports the department's quality upliftment programmes to improve the level of learner attainment in the province. The budget also provides for the expansion of Grade R by providing remuneration and training to Grade R practitioners due to the province's stance on universalisation of early childhood development. The department envisages having 160 000 learners in Grade R by the end of the 2019/20 financial year

The Department of Roads and Transport is allocated R24.2 billion over MTEF to construct, upgrade and maintain the provincial road network and to fund transport operations in all development corridors of the Province. The work of the department contributes towards the radical economic transformation, the decisive spatial transformation, the modernization of the public service and the modernization of human settlements and urban development. Over the MTEF, the allocation increases from R7.7 billion in 2019/20 to R8.5 billion in 2020/21 and then decreases to R7.9 billion in 2021/22. The life cycle of projects in the infrastructure programme inform the trend in the allocation. The routine maintenance programme and other maintenance related work such as the re-gravelling programme are among the factors that inform the budget allocations. The DTLCs are not included in the MTEF budget as they will be complete. The department will increase the revenue collected through the gazetting of operating licences and the Revenue Information Management System (RIMS) projects, which will be conducted over the MTEF.

The allocation of the Department of Human Settlements increase from R6.2 billion in 2019/20 to R6.4 billion in 2021/22. These allocations include R16.2 million conditional grants funding over the 2019 MTEF. These conditional grants target the eradication of informal settlements, the housing development projects, the transfer of housing properties to beneficiaries and the jobs creation programmes. The allocation includes R123 million allocated over the MTEF for coordinating, managing and overseeing the maintenance of the department's immovable assets in the form of flats, hostels and vacant stands, and to provide the tools and personnel needed for these activities. The 2019/20 allocation also includes the once-off amount to augment the department's budget for rates and taxes for non-transferred RDP stock and five provincial hostels and to pay for outstanding municipal debt. The priorities for the MTEF are in line with the department's vision of creating integrated and sustainable human settlements within a smart Gauteng City Region.

In the Department of Social Development, the allocations increase R5.5 billion in 2019/20 to R6.2 billion in 2021/22 to accelerate social transformation by addressing the challenges of unemployment, poverty and inequality. Regarding services to children, the allocations enable the department to provide the dignity packs to girls, boys and children with albinism to restore the rights. The allocations enables the provision of school uniform to poor children through Bana Pele Programme. The allocations provide fund to expand the ECD subsidy to poor children and to assist existing ECD centres to comply with health and safety standards.

The allocations provide funds to combat the high prevalence of substance abuse in the Province through the anti-substance abuse movement campaign, the substance abuse preventative and aftercare programmes and the expansion of substance abuse treatment centres. The department assists the community to earn a living through the Welfare-to-Work approach and Women Development programme. To support the work of the department, the allocations also provide for the absorption of social work graduates and appointment of their supervisors to increase the capacity.

The Department of Infrastructure Development is allocated a total of R10.6 billion over the MTEF. This amount comprises of R3.5 billion allocated in 2019/20, R3.5 billion in 2020/21 and R3.7 billion in 2021/22. The department's budget provides for operational expenses under administration, allocation to public works infrastructure and expanded public works programme. The department provides 7 000 work opportunities through the EPWP. The budget includes R331 million added to the baselines over the 2019 MTEF to fund the payment of accruals in rates and taxes, as well as R316.8 million added over the 2019 MTEF to fund the Kopanong Precinct facilities management.

The Department of Economic Development budget allocation of R1.6 billion in 2019/20 caters for the transfers to its entities, which are the GGDA, GTA, GEP and the Cradle of Humankind and Dinokeng. These entities implement the department's interventions in growing the economy and tourism promotion in the Province. A total of R5 billion is allocated to the department over the 2019 MTEF. This amount comprises of R1.6 billion in 2019/20, R1.7 billion in 2020/21 and R1.8 billion in 2021/22. In addition to the operational budget, the department will undertake the following key projects: establishing a Co-operative programme, Youth Accelerator Programme, Spaza Shop verification, business case for the GPG economic modelling and capacity building, development of financial models for the Gauteng Investment Incentives Framework, Gauteng industrialisation high-impact projects and the Gauteng Economic Barometer.

The allocations of the Department of e-Government increases from R1.4 billion to R1.6 billion over the 2019 MTEF. These allocations provide for the implementation of the GPG Digital Ecosystem components, which are the common platform citizen-facing services, GPG common platform back-end, ICT infrastructure and GBN. Following the completion of Phase 1 of the Gauteng Broadband Network (GBN) project that resulted in 1181 provincial sites provided with connectivity, the 2019 budget will contribute towards the rollout of Phase 2 of the GBN project that will provide connectivity to all remaining provincial sites, including three agencies that will be connected to WAN. The 2019 budget also enables the department to continue the implementation of the initiatives that digitize the Government's back office functions including various HR-related processes.

4.2 Payments by economic classification

TABLE 14: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	71 470 025	77 959 118	87 201 962	95 087 232	97 199 516	98 275 889	105 527 017	112 361 818	121 564 843
Compensation of employees	51 980 232	57 845 225	62 913 274	67 748 309	68 297 918	68 552 750	75 002 457	80 180 725	87 934 597
Goods and services	19 481 525	20 109 864	24 248 728	27 337 863	28 900 417	29 702 471	30 523 300	32 179 752	33 628 831
Interest and rent on land	8 268	4 029	39 960	1 060	1 181	20 668	1 260	1 341	1 415
Transfers and subsidies	17 421 585	20 438 168	18 519 724	16 138 387	20 349 160	19 956 064	21 645 883	22 333 579	23 435 582
Provinces and municipalities	1 500 230	1 571 442	1 606 264	1 838 727	1 820 109	1 835 253	1 923 986	1 928 063	2 031 981
Departmental agencies and accounts	2 699 074	4 007 076	3 024 886	3 173 811	3 256 581	3 256 838	3 467 753	3 655 300	3 860 076
Higher education institutions	24 115	46 600	56 462	63 078	67 078	67 078	67 729	67 935	71 647
Foreign governments and international organisations									
Public corporations and private enterprises	1 960 610	2 342 173	2 052 599	2 476 667	2 545 790	2 545 790	2 617 233	2 788 796	2 941 987
Non-profit institutions	6 363 120	6 380 873	5 660 956	7 721 568	6 492 204	6 499 704	7 142 320	7 560 741	7 906 209
Households	4 874 436	6 090 004	6 118 557	864 536	6 167 398	5 751 401	6 426 862	6 332 744	6 623 682
Payments for capital assets	6 126 861	5 882 142	5 073 789	10 133 536	5 729 403	6 410 018	5 269 601	5 750 122	5 389 537
Buildings and other fixed structures	4 515 804	4 638 347	3 759 660	8 528 385	3 893 200	4 573 226	3 289 819	3 715 537	3 332 457
Machinery and equipment	1 460 346	1 188 159	1 282 488	1 570 066	1 774 871	1 775 460	1 957 695	2 015 278	2 034 768
Heritage Assets					10 625	10 625	5 463		
Specialised military assets									
Biological assets									
Land and sub-soil assets	9 499	23 210	14 206	17 182	36 984	36 984	5 868	7 915	10 376
Software and other intangible assets	141 212	32 426	17 434	17 903	13 723	13 723	10 756	11 392	11 936
Payments for financial assets	41 833	75 178	50 012		772	7 344			
Total economic classification	95 060 304	104 354 606	110 845 487	121 359 155	123 278 851	124 649 315	132 442 501	140 445 519	150 389 962

Current payments

Economic classification indicates that current payments account for 80 per cent of the total provincial payments over the MTEF. The allocation increases from R97.2 billion in 2018/19 to R105.5 billion in 2019/20. The budget for compensation of employees totals R243.1 billion over the MTEF, which is 72 per cent of the current payments over the MTEF. The budget for goods and services totals R96.3 billion over the MTEF, which is 28 per cent of the current payments over the MTEF.

The social sector departments, given their mandates and the type of their services, are the largest employer in the provincial government. The personnel headcount in the Department of Education exceeds 106 000. The increase in staff numbers at school level is an attempt to rectify the divergence from the policy norms and to accommodate the growth in learner numbers in the schools. The budget for compensation of employees in the Department of Education therefore provides for the growth in educator numbers and the annual increase in learner numbers due to in-migration into the Province and to provide for the recruitment of additional educators and support staff for public primary and secondary schools.

In the Department of Health, the budget for compensation of employee increases from R26.7 billion in 2018/19 to R34.6 billion in the 2020/21 financial year to provide for the increased personnel funding of health professionals and funding towards Public Service Co-ordinating Bargaining Council (PSCBC) resolutions. In addition, this is due to the introduction of the Human Resource Capacitation grant of R432.7 million over the MTEF. The aim of this grant is to achieve the universal health access through the phased-in implementation of National Health Insurance and to improve access to quality healthcare services.

Social development personnel budget increases from R1.8 billion in the 2019/20 financial year to R2.2 billion in the 2021/22 financial year. The growth includes the cost of living adjustments and the filling of critical posts such as social work supervisors, child and youth care workers, psychologists and occupational therapists. The absorption of social work graduates who completed their studies through the departmental scholarship and the appointment of officials to monitor and evaluate funded NPOs also increase the budget.

The budget for compensation of employees in the Department of Infrastructure Development is the fourth largest compensation in the Province. It provides for the filling of infrastructure-related critical posts, the appointment of officials in accordance with the Occupational Specific Dispensation (OSD) salary scales and the implementation of the department's retention strategy.

The budget for goods and services in the Department of Health includes the funds to pay accrued liabilities, funds for re-engineering of primary health care and additional funds for non-negotiable budget items such as medical supplies, medicine and consumable supplies. The budget also includes the funds for the provincialisation of City of Tshwane EMS and the planned provincialisation of City of Johannesburg EMS as well as the additional funds for the office accommodation following the fire incident at the Bank of Lisbon premises. The other factor that increases the budget is the reclassification funds from transfers and subsidies as goods and services based on the Classification Circular 21 of 2018. This reclassification affects the transfers for mental health services provided by Life Health Care and Clinix service.

In the Department of Education, the budget for goods and services includes the additional funds allocated for the school nutrition programme, municipal services, school furniture, scholar transport for LSEN, inclusive education and scholar transport. In the Department of Roads and Transport, the budget caters for the operational costs and the maintenance of infrastructure projects.

In the Department of Social Development, the reclassification of transfers as goods and services increases the budget for goods and services significantly. The increase of R1.2 billion relating to the reclassification of transfers affects the distribution of school uniform, dignity packs and food parcels over the MTEF. The budget in the Department of Infrastructure Development increases because of funds allocated for property leases and maintenance of government infrastructure.

The budget for goods and services in the Department of Human Settlements is higher in 2019/20 due to the once-off additional amounts allocated to augment the department's budget for rates and taxes for non-transferred RDP stock and five provincial hostels and to pay for outstanding municipal debt. The budget also provides for the payment of legal fees and security services required in the provision of housing and it provides for the lease of new departmental building.

In the Department of Agriculture and Rural Development, the 2019/20 budget for goods and services includes the provision for agro-processing infrastructure to enhance food production in all corridors and the provision for the construction of hydroponic and poultry structures to mainstream urban agriculture and township mobile clinical veterinary services. Over the 2019 MTEF, the budget provides for the continuation of the primary animal health care programme, the preservation of supply of safe and hygienic food of animal origin and reducing the risk of food borne infections, the food security initiatives that supports community and school food gardens.

The budget for goods and services in the Department of e-Government is for the operational requirements for the GPG Digital Ecosystem. The latter relates to the GBN project, maintenance and support services for the provincial governments' ICT infrastructure, the fully managed data centre and SITA payments.

Transfers and Subsidies

The allocation for transfers and subsidies increases from R20.3 billion in 2018/19 to R21.6 billion in 2019/20, the largest share of the transfers' allocation is directed towards non-profit institutions in the Department of Education, the Department of Health and the Department of Social Development.

The Department of Education continues to make provision for transfers to schools in accordance with the norms and standards for school funding. Transfers to Matthew Goniwe School of Governance and Leadership that will be focusing on the teacher development initiatives for the department, and the Gauteng City Region Academy that will focus on skills development and training for the province and offer bursaries to top achievers from no-fee paying schools. The Department of Education department makes transfers to public ordinary schools, which constitutes 53 per cent of its budget for transfers. The transfers provides funding for the LTSM, school nutrition and other social upliftment programmes. Furthermore, transfers are made to independent school, special schools, LSEN scholar transport.

The Gauteng City Region Academy (GCRA) is allocated R277 million to provide bursaries to top-performing learners from no-fee schools. Other transfers will be made to SETA for skills development levy, to FET colleges for the training of ESSP

practitioners and social benefits of employees when exiting the public education sector either through retirement or through resignation

The Department of Social Development will continue to provide subsidies and expand nutrition to beneficiaries through the early childhood development conditional grant. The department will strengthen the family prevention programmes, increase access to parenting programmes and fatherhood and provision for school uniform through the Bana Pele Programme. Included in the department's transfers and subsidies is an additional budget allocation of R23.2 million towards Social Sector EPWP Incentive Grant in a continued effort to create work opportunities. Social development transfers to wards childcare and protection programmes, child and youth care centres, community based care services for children, victim empowerment, substance abuse, poverty alleviation and sustainable livelihoods, youth and women development.

In the Department of Health, transfers and subsidies cater for the provincialisation of the City of Tshwane EMS, planned provincialisation of Johannesburg EMS in the second quarter of the 2019/20 financial year as well as the reclassification of mental health services provided by Life Health Care and Clinix. Transfers to departmental agencies and accounts increases because of projected payments to the Health and Welfare Sector Training Authority (HWSETA) for skills development and training of health professionals on behalf of the department.

The department will continue funding of the Nelson Mandela Children's Hospital. Provision for transfers to local government for PHC, HIV and AIDS and emergency medical services benefit the three metros - Tshwane, Ekurhuleni and Johannesburg; and the districts of Sedibeng and West Rand. Transfer for comprehensive PHC services according to service level agreements, to ensure rapid, effective and efficient emergency medical care to sustain the ward-based door-to-door HIV and AIDS education programmes and to promote safe sex behaviours (HIV/AIDS prevention). The Office of the premier has made provision for the compensation of the Life Esidimeni tragedy under households.

The budget for transfers and subsidies in the Department of Roads and Transport consists mainly of the allocation for the Gautrain project as well as the PTOG. The amount against the Departmental agencies and accounts relates to payments made in respect of the Gautrain. This is mainly for maintenance and capacitation of the current system. Transfers to North-West Star contracts. The budget for transfers and subsidies under Human Settlement is earmarked to establishing sustainable human settlements where all citizens will have access to housing and other social amenities. Apart from the HSDG funding, the transfer budget also includes over the MTEF the EPWP Integrated Grant earmarked for job creation initiatives across the province and the Title Deeds Restoration Grant that will assist the department to fast track the issuing of title deeds to beneficiaries. Transfers includes the Informal Settlements Upgrading Partnership Grant for Provinces aimed at eradicating informal settlements across the province Transfers in Department of Infrastructure Development constitute the devolution of rates and taxes.

Payments for capital assets

Payment for capital assets decreased slightly from R5.7 billion allocated in 2018/19 to R5.2 billion in 2019/20. R3.2 billion is allocated for buildings and other fixed structures and R1.9 billion for machinery and equipment. The Department of Education will continue to address the backlog of classrooms, refurbishment and maintenance of schools as well as providing ICT compliant infrastructure to cater for e learning. The budget also caters for building specialist rooms in ordinary schools in line with the inclusion strategy for education.

In the Department of Roads and Transport, the budget for payments for capital assets is mainly for infrastructure projects. Payment for capital assets under OoP increased due to replacement of assets destroyed by fire accident at the 30 Simmonds Street offices. The increased allocation for Suikerbosrand bulk infrastructure to continue implementation of infrastructure projects through the IDMS process under DARD. The Department of Cooperative Governance and Traditional Affairs will continue with the procurement of the infrastructure requirements and equipment of the PDMC and the department.

The Department of Human Settlement's budget avails the funding to procure telecommunication equipment (Network LAN) and tools of trade for the personnel to carry out their duties efficiently and effectively. This is due to the envisaged increase in human resource capacity to augment the professional capacity of the department.

The machinery and equipment budget increased in the Department of Health to continue to invest in the recapitalisation and replacement of ambulances with the aim of improving response times and to make provision for the replacement and procurement of oncology and radiology equipment in central hospitals. The budget for infrastructure decreases due to a review of project readiness. An additional amount of R150.1 million over the 2019 MTEF is allocated towards obtaining a suitable office accommodation for the department.

4.3 Payments by policy area

TABLE 15: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY FUNCTIONAL AREA

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
General public services	5 474 809	5 949 687	6 504 086	6 993 956	7 221 857	7 209 008	8 034 688	8 084 599	8 432 939
Public order and safety	693 552	632 647	731 148	719 495	752 015	752 015	759 224	805 075	862 147
Economic affairs	8 110 912	9 633 174	8 699 570	9 881 868	10 344 747	10 342 047	9 975 206	10 950 004	10 499 375
Environmental protection	230 671	269 507	244 475	299 400	306 329	306 329	304 867	330 480	367 721
Housing and community amenities	4 742 709	5 957 683	5 964 008	5 888 425	6 062 042	6 106 312	6 216 526	6 161 145	6 403 170
Health	34 864 555	37 440 067	42 013 459	46 429 326	46 862 330	48 204 073	50 767 163	54 301 160	58 832 276
Recreation, culture and religion	704 333	810 112	792 575	942 652	1 008 196	1 008 196	1 058 424	1 136 450	1 183 314
Education	36 296 522	39 409 926	41 414 305	45 220 540	45 711 906	45 711 906	49 809 551	52 868 747	57 560 507
Social protection	3 942 241	4 251 803	4 481 860	4 983 495	5 009 429	5 009 429	5 516 852	5 807 859	6 248 512
Total provincial payments and estimates by policy area	95 060 304	104 354 606	110 845 486	121 359 156	123 278 851	124 649 315	132 442 501	140 445 519	150 389 962

The table above reflects the provincial payments by policy area. Tax revenue relies heavily on a robust economy but due to the constrained national economic growth rate, new social spending priorities necessitated fiscal consolidation alongside additions to the budget. The social sector budget, such as in the Department of Health and the Department of Education, which is mainly driven by the implementation of policies has grown substantially over the 2019 MTEF as shown in the table above in response to overall growth in the provincial population.

The 2019 MTEF budget represents the optimal allocation of resources that is aimed at promoting the economic, efficient and effective provision of public services whilst ensuring quality and accessibility of these services (i.e. value for money). The province continues to deliver on the Transformation, Modernisation and Re-industrialisation of the Gauteng City Region coupled with the Deliverology programme, which is aimed at attaining all high-impact targets by the end of the current term of office.

The Department of Education is committed to creating a system to meet the new educational and training needs of the information age. The department works towards ensuring that people of all ages and backgrounds have the education, skills and opportunities to pursue activities that promote their well-being and build strong communities. The department contributes to radical economic transformation, accelerated social transformation, transformation of the state and governance and modernisation of the public service. The department's focus is on curriculum delivery and learner performance by providing support to learners through quality intervention strategies such as the Secondary School Intervention Programme (SSIP), the Mathematics, Science and Technology (MST) intervention, Learner and Teacher Support Material (LTSM) and Information Communication and Technology (ICT). To expand access to schooling and to keep children at school, the department continues to provide scholar transport, provide nutritious meals to learners through the school nutrition programme and facilitate inclusive education to increase access to special education. The growth in the education budget over the 2019 MTEF is primarily informed by the augmentation of the number of educators in response to the increase in learner numbers to keep class sizes according to the policy norms and standards.

The Department of Health will continue in its drive to accelerate social transformation through the provision of quality, efficient and accessible healthcare to improve people's lives. This will be achieved by strengthening the health systems, preventing and reducing the burden of disease, transforming the health economy and modernising the public service with a focus on the development and implementation of the e-health programme. The budget will fund core services such as combating HIV/AIDS, decreasing the burden of disease from Tuberculosis, Primary Health Care services, Emergency Medical services, and decreasing infant, child and maternal mortality. Health estimates over the 2019 MTEF grows substantially due to the need to train and appoint more doctors, nurses and other medical professionals. Furthermore, the department receives the Human Resource Capacitation conditional grant (stimulus package) that aims to achieve universal health access through the phased implementation of National Health Insurance, and to improve access to quality healthcare services. The grant will fund community service and critical posts, including (dentists, dieticians, physiotherapists, occupational therapists, medical officers, medical registrars, medical specialists, professional nurses, assistant nurses and enrolled nurses) throughout health facilities.

The Department of Roads and Transport, the Department of Economic Development and the Department of Agriculture and Rural Development mainly drive economic affairs in the province. The main functions of Roads and Transport, through

investment in economic infrastructure and regulation of road users, is to develop and maintain a sustainable road infrastructure that contributes to increased economic growth and enhanced quality of life in Gauteng. Agriculture and Rural Development's focus is on harnessing and maximising the economic potential of the province's agricultural sector and ensuring food security for all. Economic Development will continue with revitalisation of township economies; increasing the participation of small, medium and micro enterprises (SMMEs) and co-operatives (Co-ops) in the province's mainstream economy; and the facilitation of trade and investment towards radical transformation, modernisation and re-industrialisation of Gauteng's economy.

In providing housing, the Department of Human Settlements will focus on spatial transformation, accelerated social transformation, modernisation of the public service, and modernisation of human settlements and urban development pillars. The department will embark on projects that will contribute decisively to the spatial transformation and radical economic change by ensuring that people are located closer to places of work and economic opportunities. This will be achieved through the eradication of informal settlements in the province, the continuation of mega projects in different corridors aimed at providing adequate housing in the province and the development of housing policies that will strengthen the ability to provide housing opportunities to build sustainable communities. The Department of Human Settlements also receives a new grant in the form of Informal Settlements Upgrading Partnership Grant that will assist the Department to accelerate the eradication of informal settlements in the province which contributes to the growth in the 2019 MTEF budget.

To ensure social protection, the Department of Social Development contribute towards addressing the challenges of unemployment, poverty and inequality primarily in support of accelerated social transformation. The department's projects include the distribution of Dignity Packs to girls, boys and children with albinism, school uniform to needy children (the Bana Pele programme), food parcels to profiled households, the provision of Early Childhood Development (ECD) services such as subsidies; developmental services such as the Welfare-to-Work approach and Women Development; the care and protection of the elderly; and fight against substance abuse such as the Ke-Moja programme. The 2019 MTEF estimates of Social Development increase to mainly to avail more social workers and expand the provision of social welfare services to the poor.

To restore public order and safety, the Department of Community Safety will continue to strive towards the achievement of the Deliverology target of reducing crime and pedestrian fatalities by 50% in 2019. Furthermore, it will enhance social crime prevention by addressing violence against women and children, mobilising youth and combatting the scourge of substance abuse and gangsterism; reducing road fatalities by improving pedestrian safety, traffic law enforcement and road safety education.

To promote recreation, culture and religion, the Department of Sport, Arts, Culture and Recreation aims to provide library and archival services and ensure access, increased participation and transformation of the sport, arts, culture and recreation sectors that benefits all citizens in the province. The departments' core services include the hosting of various arts and culture and national and internal sporting events; promoting the livelihoods for artists, crafters and sports people, rendering library, information and archival services and the celebration and commemoration of key national days.

4.4 Transfers to public entities

TABLE 16: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Gauteng Growth Development Agency	359 033	465 282	521 847	443 181	619 467	619 467	598 888	622 676	657 287
2. Gauteng Enterprise Propeller	290 438	236 718	244 930	300 694	232 689	232 689	245 771	260 595	275 292
3. Gauteng Tourism Authority	93 798	104 744	108 165	141 201	113 339	113 339	102 679	109 767	116 168
4. Gauteng Management Agency	1 561 451	2 232 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
5. Gauteng Partnership Fund	200 000	212 400	224 719	237 753	609 000	609 000	251 067	264 876	279 444
Total departmental transfers to public entities	2 504 720	3 251 233	2 933 355	3 068 097	3 519 763	3 519 763	3 351 719	3 529 660	3 722 612

The table above depicts the summary of transfers to public entities in the Department of Economic Development, the Department of Roads and Transport and the Department of Human Settlements. Transfers to public entities follow an

upward trend from R2.5 billion in 2015/16 to R2.9 billion in 2017/18. The allocation amounts to R3.1 billion in 2018/19 and increased during the adjustments budget process because of the additional funding allocated to the Gauteng Tourism Authority (GTA). The Department of Economic Development also reduced the budget for its other entities and increased the budget for transfers to Gauteng Growth and Development Agency (GGDA), Gauteng Enterprise Propeller (GEP) during the adjustments budget process. The budget for the Gauteng Partnership Fund also increased during the adjustments process in 2018/19. Over the MTEF, the allocation increases from R3.3 billion in 2019/20 to R3.7 billion in 2021/22.

Gauteng Growth and Development Agency

The transfer payments amounted to R359 million in 2015/16 and R521.8 million in 2017/18. Among the projects that were implemented by GGDA from 2015/16 to 2017/18 are: the Gauteng Automotive Learning Centre and the eKasi Labs programmes. Furthermore, the Jewellery Manufacturing Precinct top structure and the Bio-Park phase 3 were migrated from the GEP back to GGDA over the 2019/20 MTEF together with their respective budgets. In addition, the Constitutional Hill Visitor Centre was migrated from GTA to GGDA. Over the MTEF, the allocation increases from R599 million in 2019/20 to R657.3 million in 2021/22. In line with the key outcomes of the entity which are: revitalised and modernised township economies reflecting radical transformation and re-industrialisation of Gauteng's economy through automotive sector development; investing in strategic economic infrastructure in targeted sectors and accelerating the development of high growth, competitive and labour-absorbing sectors to support the creation of decent jobs and global competitiveness. The entity will implement projects over the 2019 MTEF such as AIDC Supplier Efficiency Programme; Refurbishment of the township industrial parks; AIDC skills development and training programme; and Completion of the Visitor's Centre construction.

Gauteng Enterprise Propeller

The transfer payments in 2015/16 amounted to R290.4 million, and during that period, the entity managed to support businesses owned by people with disabilities. To enhance job creation for youth whilst also reducing poverty, the entity allocates R56 million towards the Youth PMO over the 2019/20 MTEF. This project focuses on the development of skills through placement for on-the-job training thus also increasing the potential of the youth to become entrepreneurs and active participants in the Gauteng economy. Moreover, a function shift was implemented between GEP and GGDA wherein the Jewellery Manufacturing Precinct top structure and the Bio-Science Phase 3 Block projects were migrated from GEP to the GGDA over the 2019 MTEF Period. In line with the mandate of revitalizing township economies, the allocation over the 2019 MTEF increases from R245.8 million in 2019/20 to R275.3 million in 2020/21 for the following projects to be implemented: Localisation programme which stimulates local production with a focus on clothing and textile; manufacturing and furniture; Construction Ecosystem Centre is aimed at providing, incubating and skills development opportunities to township businesses; and providing financial support to 250 SMMEs, of which 150 SMMEs will be township based.

Gauteng Tourism Authority

The transfers for GTA increase from R93.8 million in 2015/16 to R108.2 million in 2017/18. The budget for transfers was adjusted downwards during the 2018/19 financial year from the main budget of R141.2 million to an adjusted budget R113.3 million. The decrease is attributable to the redirection of funds to GGDA. Over the 2019 MTEF, the allocation increases from R102.7 million in 2019/20 to R116.2 million in the outer year. The allocation will afford the entity to continue with the implementation of destination marketing and promotion programmes to market Gauteng by focusing on urban tourism and township tourism. In addition, projects such as the hosting of the Gauteng Shopping Festival, Cycling Relay, Discorp Africa, Joy of Jazz and the Gauteng Summer Cup and marketing of Gauteng tourism will be undertaken over the MTEF.

Gautrain Management Agency

The Department of Roads and Transport transferred an amount of R1.6 billion and R1.8 billion in 2015/16 and 2017/18 respectively. These transfers were in line with the agreements with the concessionaire. The increase in the allocation for 2016/17 was owing to the settlement of legal claims. Furthermore, the budget is expected to grow from R2.2 billion in 2019/20 to R2.4 billion in 2020/21 mainly for the maintenance and capacitation of the current system. The Gautrain II project is still being assessed in terms of the financial resource requirement

Gauteng Partnership Funding

The aim of the Gauteng Partnership Fund (GPF) is to facilitate or mobilise funding for affordable housing and to support Gauteng Human Settlements, to facilitate private sector participation and mobilise appropriate funding for social housing and integrated projects.

The GPF receives contributions from the GDHS from time to time, but the entity funds itself mainly from the interest earned from the original capitalisation of the GDHS donation. The GPF receives interest from loans that were given out to borrowers. In 2015/16 the contribution amounted to R200 million and increase to R224.7 million. The budget is adjusted upwards to R609 million mainly to facilitate the delivery of mega projects across all corridors of the Gauteng City region

(GCR). Over the 2019 MTEF, the funding will increase from R251.1 million in 2019/20 and R279.4 million in the outer years. The funding will assist to strengthen its strategic objective of increasing and leveraging private sector funding for affordable housing in Gauteng, with the ultimate aim of increasing the rate of delivery of sustainable human settlements in the province.

4.5 Transfers to trading entities and government component

TABLE 17: SUMMARY OF DEPARTMENTAL TRANSFERS TO TRADING ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Cradle of Humankind	71 377	63 583	64 522	73 454	70 554	70 554	72 062	79 625	84 368
2. Dinokeng	53 570	43 576	36 498	39 056	39 056	39 056	37 658	39 925	42 481
3. Gauteng Liquor Board	25 327	40 669	23 029	25 021	25 871	25 871	26 352	25 171	26 371
4. Gauteng Infrastructure Funding Agency	70 000	102 650	55 385	58 544	58 544	58 544	61 940	65 347	68 941
Total departmental transfers to public entities	220 274	250 478	179 434	196 075	194 025	194 025	198 012	210 068	222 161

The table above presents the transfers to trading entities. The transfers relate to three entities of the Department of Economic Development (namely: Cradle of Humankind, Dinokeng and Gauteng Liquor Board) and one entity of the Gauteng Provincial Treasury, the Gauteng Infrastructure Financing Agency. Transfers to trading entities reflect an increasing trend between 2015/16 (R220 million) and in 2016/17 (R250.5 million). Transfers amounted to R196.1 million in the 2018/19 main budget and was adjusted downwards to R194 million. The reduction was mainly from Cradle of Humankind, which had to redirect its funds to GEP for the Business start-up kits project. Over the MTEF, allocation increases from R198 million in 2019/20 to R222.2 million in 2021/22.

Transfers to Cradle of Humankind declined from R71.4 million in 2015/16 to R64.5 million in the 2017/18 financial year. Provision was made for infrastructure development, natural resources management, operations of Maropeng and Sterkfontein Caves as well as community development projects such as Sponsored School Visits to the COHWHS and specific public meetings. The main budget allocation for 2018/19 financial year amounts to R73.4 million, of which R20 million was allocated to implement core projects such as the water-monitoring programme, Working on Fire and tourism routes implementation. The remaining balance was to cater for projects such as scientific research and community beneficiation. Furthermore, the 2019 MTEF budget allocation increases from R72.1 million in 2019/20 million to R84.4 million in the 2021/22 for projects such as Portion 26 Community projects and World Heritage Education awareness partnership with Ethiopia visitor centres.

Transfers made to the Dinokeng Trading Entity amounted to R53.5 million in 2015/16 and declined to R36.5 million in 2017/18. Over the MTEF, the transfers increases from R37.6 million in 2019/20 to R42.5 million in 2021/22. The increase is because of the intensive drive on investment in tourism infrastructure development programmes and empowerment of SMMEs and cooperatives that the Dinokeng Project has embarked on over these periods. Projects such as Working on Fire Programme, school visits to the Dinokeng Game Reserve (DGR) as well as establishing the Dinokeng community development fund will be also implemented.

The mandate of the GLB, among other things, is to manage the lodgement of liquor licence applications, processing liquor licence applications and a renewal of licences. The transfer payments to the GLB decreased from R25 million in 2015/16 to R23 million in 2017/18. The decrease in the budget allocation for the GLB resulted from the increased revenue tariffs, which resulted in improved income streams for the GLB. This caused the department to decrease its funding to the GLB. Over the 2019 MTEF, the allocations amount to R26.5 million in 2019/20, R25.2 million in 2020/21 and R26.4 million in 2021/22. The entity envisages the finalisation of its physical verification project, full implementation of the GLB Automation System and Records Management project. The automation will modernise the GLB's process, enhance the potential for revenue collection and will contribute towards creation of a credible database.

The transfer payments to the Gauteng Infrastructure Funding Agency increased from R70 million in 2015/16 to R102.7 million during 2016/17. The budget amount is R58.5 million in 2018/19 and GIFA established a pipeline of 30 projects, which are currently at different stages of project development cycle. Over the MTEF, the allocation increase from R61.9 million in 2019/20 to R68.9 million in 2021/22. The increase is aimed at ensuring a sustainable pipeline of strategic infrastructure projects that are catalysts for socio-economic development in the province. In the coming financial years,

the GIFA will continue sourcing projects from municipalities and provincial departments and financing their feasibility studies through the PPF.

4.6 Transfers to Local Government

TABLE 18: SUMMARY OF TRANSFERS TO LOCAL GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	1 755 850	2 089 535	1 904 259	1 905 277	1 905 374	1 905 374	1 986 764	1 999 720	2 114 537
Category B	347 810	374 413	466 381	441 641	474 835	474 835	417 655	422 938	440 267
Category C	45 322	27 630	22 991	24 384	61 884	61 884	68 832	23 992	24 131
Unallocated	(7)	1							
Total provincial transfers	2 148 975	2 491 579	2 393 631	2 371 302	2 442 093	2 442 093	2 473 251	2 446 650	2 578 935

In terms of section 30(2a)(i) of the Division of Revenue Bill, the Provincial Treasury is required to publish the transfer allocations to local government by each department by means of a gazette. These allocations must also be published in the budget documents of the province. Transfer payments increased from R2.1 billion in 2015/16 to R2.4 billion in 2017/18. Additional transfers made by Department of COGTA to address Rand West Municipality's post-merger challenges of salary disparities informed the increase. The Department of Sport, Arts, Culture and Recreation also increased the transfers to operationalise the community libraries during this period. The budget is adjusted upwards in 2018/19, from R2.37 billion to R2.44 billion, due to the Department of Human Settlements increasing the transfers to municipalities. The increase in the budget was primarily to accelerate the construction of top structures and to a lesser degree servicing of stands.

In 2019/20, the following departments will be making transfers to local governments:

Department of Human Settlements: Transfers made to category A municipalities will primarily fund the construction of top structures, and to a lesser degree, servicing of stands whilst transfers made to category B municipalities where mining towns are located will be utilised to a large degree for infrastructure upgrades. Funding is provided for these targeted areas to unblock development bottlenecks due to these municipalities not being allocated USDG funding.

Department of Cooperative Governance and Traditional Affairs: The department will transfer funds only to category B municipalities in respect of GRAP 17 and the Expanded Public Works Programme (EPWP) for the job creation initiatives in 2019/20 and for the Performance Management System (PMS) projects over the MTEF.

Department of Health: The department's transfers to local government provide funding for the primary health care, HIV and AIDS and emergency medical services in the City of Tshwane Metropolitan Municipality, City of Ekurhuleni Metropolitan Municipality, City of Johannesburg Metropolitan Municipality, Sedibeng District Municipality and West Rand District Municipality. The services within district councils have been provincialized. Transfers for PHC, HIV and AIDS and emergency medical services benefit the three metros-. The transfers are aimed at rendering comprehensive PHC services according to service level agreements to ensure rapid, effective and efficient emergency medical care to sustain the ward-based door-to-door HIV and AIDS education programmes and to promote safe sex behaviours (HIV/AIDS prevention).

Department of Sport, Arts, Culture and Recreation: The department's transfers in 2019/20 and over the MTEF will make provision for the operationalisation and digitalisation of the existing libraries thereby ensuring that communities have well-resourced and functioning libraries in support of a culture of reading and writing.

Department of Infrastructure Development: The department will transfer funds to municipalities in respect of property rates and taxes for building owned by the provincial government.

The budget for transfers will increase from R2.4 billion in 2020/21 financial year to R2.5 billion in the 2021/22 financial year. The increase in the budget for transfers will provide for the operationalisation and digitalisation of the existing libraries, provision of PHC, HIV and AIDS and emergency medical services in five municipalities, Performance Management Systems in municipalities, construction of top structures, servicing of stands and infrastructure upgrades.

4.7 Infrastructure payments

For more information on infrastructure payments, refer to the 2019/20 Estimates of Capital Expenditure (ECE).

4.8 Personnel costs

TABLE 19: SUMMARY OF DEPARTMENTAL PERSONNEL COSTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Office of the Premier	235 738	256 909	281 344	307 088	307 088	307 088	341 264	346 035	367 250
Provincial Legislature	258 011	280 869	310 273	356 885	356 885	355 657	382 427	411 400	443 071
Economic Development	165 315	184 718	207 581	258 306	223 127	223 127	275 871	293 802	317 894
Health	20 648 000	23 289 574	25 085 331	26 706 147	26 994 470	27 282 324	29 560 541	31 417 079	34 642 821
Education	25 981 867	28 660 401	31 428 370	33 738 301	34 138 539	34 129 621	37 372 099	40 232 200	44 019 887
Social Development	1 233 601	1 332 444	1 403 527	1 519 821	1 570 342	1 570 342	1 823 545	1 930 175	2 200 753
Cooperative Governance and Traditional Affairs	247 479	275 335	291 523	319 895	319 895	309 902	341 648	363 855	393 691
Human Settlements	355 623	382 000	420 565	448 432	448 432	448 432	472 830	503 564	544 856
Roads and Transport	549 027	595 813	633 927	702 514	702 514	688 531	750 285	799 053	863 798
Community Safety	396 290	418 120	450 773	526 204	520 328	520 023	588 586	628 847	663 433
Agriculture and Rural Development	382 200	399 165	437 724	479 214	481 000	481 000	526 637	559 585	596 844
Sport, Arts, Culture and Recreation	183 836	214 855	233 755	307 713	284 491	284 472	340 594	357 247	377 255
e-Government	270 891	310 087	363 991	454 148	422 945	422 945	466 133	492 735	520 195
Provincial Treasury	364 346	406 205	452 209	590 162	494 383	487 344	629 631	670 558	723 222
Infrastructure Development	708 008	838 730	912 381	1 033 479	1 033 479	1 041 942	1 130 365	1 174 590	1 259 627
Total personnel payments and estimates	51 980 232	57 845 225	62 913 274	67 748 309	68 297 918	68 552 750	75 002 457	80 180 725	87 934 597

Expenditure on compensation of employees increased from R52 billion in 2015/16 to R62.9 billion in 2017/18. The budget increases from R67.7 billion to R68.3 billion during the adjustments budget process in 2018/19 because of additional funds allocated to increase capacity in the Department of Health and the Department of Education and because of funds reallocated from other budgets to compensation of employees in the Department of Social Development. The budget increases from R75 billion in 2019/20 to R87.9 billion in 2021/22 to fund the personnel requirements of various departments.

The largest contributor in the province's personnel spending is the Department of Education whose budget increases from R37.4 billion in 2019/20 to R44 billion in 2021/22 to provide for the recruitment of additional educators caused by increasing learner numbers and for the recruitment of the support staff for public primary and secondary schools. The Department of Health is the second highest contributor. In the Department of Health, the budget for compensation of employee increases from R26.7 billion in 2018/19 to R34.6 billion in the 2020/21 financial year to provide the state capacity in health services, to fund the cost implication of the PSCBC resolutions and to fund the key positions in the public health service such as dentists, occupational therapists, medical officers to implement the national health insurance.

The other contributing departments include the Department of Social Development, the Department of Infrastructure Development and the Department of Roads and Transport. In the Department of Social Development, the budget provides for the salary increases, absorption of social work graduates and and the filling of critical posts such as social work supervisors, child and youth care workers, psychologists and occupational therapists. In the Department of Infrastructure Development expenditure, the budget provides for the staff compliment and for the recruitment of registered professionals in construction and built environment.

The budgets of other departments provides funds required to fill the organisational structure and other department-specific initiatives.

4.9 Payments on training

TABLE 20: SUMMARY OF DEPARTMENTAL PAYMENTS ON TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Office of the Premier	2 075	2 721	1 523	2 605	3 303	3 647	2 241	2 365	2 496
Provincial Legislature	3 880	1 461	4 011	5 403	5 403	5 403	5 531	5 835	6 157
Economic Development	2 245	2 306	3 474	3 673	3 673	3 673	3 879	4 092	4 317
Health	29 689	17 901	27 458	65 347	63 255	71 804	108 114	178 718	181 501
Education	488 255	318 215	326 174	413 501	422 929	423 801	473 659	507 783	566 607
Social Development	11 937	9 861	12 962	12 054	11 704	11 704	13 383	14 119	14 896
Cooperative Governance and Traditional Affairs	3 188	3 804	3 024	3 199	3 199	3 199	3 416	3 604	3 802
Human Settlements	3 686	3 547	5 818	5 868	5 868	5 868	4 730	4 990	5 265
Roads and Transport	11 535	12 295	12 363	13 080	13 080	13 080	13 813	14 572	15 373
Community Safety	1 381	11 578	11 329	9 287	9 287	8 726	5 707	5 576	5 883
Agriculture and Rural Development	3 805	3 594	4 901	5 212	5 212	5 212	8 256	8 765	9 345
Sport, Arts, Culture and Recreation	1 840	3 605	4 157	4 517	4 517	4 517	4 908	5 177	5 461
E-Government	1 637	4 958	3 798	2 879	2 255	2 255	2 630	3 397	3 605
Provincial Treasury	4 889	8 471	4 352	8 219	5 017	5 222	8 323	9 048	9 546
Infrastructure Development	23 810	20 827	22 910	25 201	25 201	25 201	36 825	54 107	63 552
Total payments on training	593 852	425 144	448 254	580 045	583 903	593 312	695 415	822 148	897 806

The table above shows the summary of payments on training by provincial departments over the seven-year period. The payments on training includes detail about staff development and related costs. Payments on training increased from R593.8 million in 2015/16 to R448.2 million in 2017/18. The budget for payments on training increased during the 2018/19 adjustments process mainly due to an increase in the Department of Education. The budget increases R695.4 million in 2019/20 to R897.8 million in 2021/22.

The combined budgets of the Department of Health and the Department of Education represent 83 per cent of the total payments on training over the MTEF. The Department of Education will continue to train educators to address skills gaps and improve the quality of teaching and learning in schools. The training programme will be through the Provincial Teacher Development Institutes (PTDIs) and the District Teacher Development Centres (DTDCs). The Matthew Goniwe School of Leadership, Sci-Bono Discovery Centre and the Gauteng City Region Academy also implements teacher development programmes on behalf of the department. An amount of R473.7 million is allocated for the training and development, which accounts for 68 per cent of the provincial training and development budget in the 2019/20 financial year.

In the Department of Health, the budget for payments on training totals R468.3 million over the 2019 MTEF. The department will continue to up-skill and develop employees in various key areas towards achieving efficiency in the health system. To improve primary health care, most of the training budget will be spent on district health services. This will enable the department to train community health workers, medical, and support staff, who will be appointed under the HIV and AIDS programme.

The Department of Social Development allocates R13.4 million in 2019/20 for the development of social service professionals and for the implementation of management development programmes.

The other departments prioritises training and development programmes through its annual Workplace Skills Plan (WSP) to enable the employees to perform their duties efficiently and improve the performance of the departments.

ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 21: SUMMARY OF PROVINCIAL RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	4 088 031	4 315 171	4 704 267	4 851 588	4 851 588	4 851 588	5 074 865	5 357 177	5 657 202
Casino taxes	828 997	870 030	948 608	1 000 864	1 000 864	1 000 864	1 008 684	1 068 611	1 132 765
Horse racing taxes	42 002	40 179	38 618	39 000	39 000	39 000	41 000	42 000	44 310
Liquor licences									
Motor vehicle licences	3 217 032	3 404 962	3 717 041	3 811 724	3 811 724	3 811 724	4 025 181	4 246 566	4 480 127
Sales of goods and services other than capital assets	553 896	625 741	628 530	623 612	623 546	736 887	658 206	694 382	732 452
Sale of goods and services produced by department (excluding capital assets)	552 374	624 442	627 267	621 817	621 752	735 093	656 311	692 386	730 346
Sales by market establishments	122 302	125 047	107 804	133 824	133 758	149 830	141 316	148 624	156 707
Administrative fees	57	69	5 178	86	86	86	87	92	97
Other sales	430 015	499 326	514 285	487 908	487 908	585 176	514 908	543 670	573 542
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	1 522	1 299	1 263	1 794	1 794	1 794	1 895	1 996	2 106
Transfers received from:		30	1			2 043			
Other governmental units			1			2 043			
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises		30							
Households and non-profit institutions									
Fines, penalties and forfeits	28 114	28 394	33 534	31 331	31 331	29 869	32 420	33 647	35 497
Interest, dividends and rent on land	629 494	663 552	625 086	454 589	584 589	824 729	504 702	554 971	585 508
Interest	629 375	663 529	625 028	454 589	584 589	824 729	504 702	554 971	585 508
Dividends	119	23	58						
Rent on land									
Sales of capital assets	26 146	15 956	22 191		12	3 850			
Land and sub-soil assets	19 941	10	56						
Other capital assets	6 205	15 946	22 135		12	3 850			
Financial transactions in assets and liabilities	95 923	82 725	78 472	53 246	53 314	176 756	56 227	59 773	63 056
Total departmental own source receipts	5 421 604	5 731 569	6 092 081	6 014 366	6 144 380	6 625 722	6 326 420	6 699 950	7 073 715

TABLE 22: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	71 470 025	77 959 118	87 201 962	95 087 232	97 199 516	98 275 889	105 527 017	112 361 818	121 564 843
Compensation of employees	51 980 232	57 845 225	62 913 274	67 748 309	68 297 918	68 552 750	75 002 457	80 180 725	87 934 597
Salaries and wages	45 246 444	50 429 980	54 779 191	58 373 057	59 080 112	59 789 278	64 794 701	69 318 408	76 280 630
Social contributions	6 733 788	7 415 245	8 134 083	9 375 252	9 217 806	8 763 472	10 207 756	10 862 317	11 653 967
Goods and services	19 481 525	20 109 864	24 248 728	27 337 863	28 900 417	29 702 471	30 523 300	32 179 752	33 628 831
Administrative fees	27 082	18 937	95 271	127 822	157 636	160 523	158 435	167 209	176 256
Advertising	175 279	138 764	169 125	146 674	181 676	182 596	134 126	142 970	150 734
Minor assets	66 674	52 726	49 201	121 273	131 080	117 187	127 442	135 662	152 681
Audit cost: External	90 672	83 423	93 612	113 401	113 572	111 334	124 290	134 091	141 943
Bursaries: Employees	21 318	22 080	35 582	63 008	48 713	42 953	57 985	58 347	69 426
Catering: Departmental activities	60 133	58 147	65 558	74 848	77 155	78 768	113 725	120 642	127 376
Communication (G&S)	281 426	295 476	232 782	276 957	298 856	306 711	277 517	292 997	303 699
Computer services	825 513	869 231	1 174 605	1 412 159	1 442 658	1 386 219	1 460 038	1 542 511	1 530 085
Consultants and professional services: Business and advisory services	283 034	341 167	727 697	521 144	640 161	642 673	792 247	847 921	1 094 113
Consultants and professional services: Infrastructure and planning	19 889	21 294	26 266	33 315	41 416	39 806	49 016	16 512	17 550
Consultants and professional services: Laboratory services	965 969	875 448	1 535 184	2 439 133	2 516 160	2 409 480	2 434 385	2 699 155	2 946 617
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs	684 285	851 293	423 369	125 488	100 997	227 975	112 082	120 189	122 245
Contractors	1 233 383	1 457 045	1 739 984	2 345 076	2 739 952	2 696 211	1 987 715	1 661 963	1 341 134
Agency and support / outsourced services	1 408 662	1 430 508	1 475 693	1 504 100	1 592 936	1 599 558	1 625 956	1 694 694	1 794 452
Entertainment	194	4	8	63	55	57	56	59	62
Fleet services (including government motor transport)	311 374	238 763	353 276	504 068	530 621	514 655	607 171	698 128	668 893
Housing									
Inventory: Clothing material and accessories	36 726	38 902	14 216	31 492	29 744	30 056	29 582	27 389	28 527
Inventory: Farming supplies	187 145	127 349	102 095	191 851	197 639	195 682	157 149	181 394	193 801
Inventory: Food and food supplies	270 861	276 751	621 938	391 396	455 355	432 448	553 994	595 873	680 128
Inventory: Fuel, oil and gas	145 568	182 231	228 135	189 122	213 516	247 988	316 914	327 317	345 391
Inventory: Learner and teacher support material	821 295	537 533	510 937	624 529	732 589	726 510	748 893	792 697	837 528
Inventory: Materials and supplies	73 416	64 482	67 226	82 562	67 781	67 671	103 231	61 186	64 773
Inventory: Medical supplies	2 077 371	2 033 348	2 621 873	2 584 947	2 632 878	3 625 711	2 924 575	3 107 984	3 277 803
Inventory: Medicine	2 805 849	3 109 521	3 829 280	5 083 786	4 938 247	4 678 233	5 568 654	5 998 425	6 132 522
Medsas inventory interface									
Inventory: Other supplies	285 093	840 764	599 187	434 603	835 114	824 816	918 382	945 245	1 003 256
Consumable supplies	531 236	503 314	523 930	663 870	600 728	601 110	604 192	646 885	683 360
Consumable: Stationery, printing and office supplies	230 198	262 422	295 036	335 044	324 819	327 414	358 874	378 121	406 557
Operating leases	650 504	820 399	1 010 377	919 743	1 150 069	1 214 728	1 071 751	1 142 315	1 208 773
Property payments	3 569 755	3 152 351	3 518 355	3 683 464	3 551 287	3 658 160	4 252 729	4 482 673	4 777 658

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Transport provided:									
Departmental activity	600 361	606 853	855 821	1 123 742	1 108 570	1 112 785	1 152 703	1 254 938	1 330 399
Travel and subsistence	225 297	228 344	246 835	294 507	304 061	304 749	335 069	371 546	395 309
Training and development	122 531	152 367	581 533	281 327	522 694	517 703	661 363	760 490	803 261
Operating payments	295 148	310 521	312 989	482 983	475 860	466 142	539 806	588 268	625 788
Venues and facilities	83 372	93 345	96 440	119 592	134 909	142 403	153 307	174 376	186 713
Rental and hiring	14 912	14 761	15 311	10 775	10 914	11 457	9 946	9 579	10 018
Interest and rent on land	8 268	4 029	39 960	1 060	1 181	20 668	1 260	1 341	1 415
Interest	8 130	4 027	39 959	1 060	1 181	20 667	1 260	1 341	1 415
Rent on land	138	2	1			1			
Transfers and subsidies	17 421 585	20 438 168	18 519 724	16 138 387	20 349 160	19 956 064	21 645 883	22 333 579	23 435 582
Provinces and municipalities	1 500 230	1 571 442	1 606 264	1 838 727	1 820 109	1 835 253	1 923 986	1 928 063	2 031 981
Provinces	1	157	2 456						
Provincial Revenue Funds									
Departmental agencies and funds	1	157	2 456						
Municipalities	1 500 229	1 571 285	1 603 808	1 838 727	1 820 109	1 835 253	1 923 986	1 928 063	2 031 981
Municipal bank accounts	1 498 410	1 570 053	1 602 921	1 837 762	1 819 039	1 834 039	1 922 806	1 926 818	2 030 668
Municipal agencies and funds	1 819	1 232	887	965	1 070	1 214	1 180	1 245	1 313
Departmental agencies and accounts	2 699 074	4 007 076	3 024 886	3 173 811	3 256 581	3 256 838	3 467 753	3 655 300	3 860 076
Social security funds									
Departmental agencies (non-business entities)	2 699 074	4 007 076	3 024 886	3 173 811	3 256 581	3 256 838	3 467 753	3 655 300	3 860 076
Higher education institutions	24 115	46 600	56 462	63 078	67 078	67 078	67 729	67 935	71 647
Foreign governments and international organisations									
Public corporations and private enterprises	1 960 610	2 342 173	2 052 599	2 476 667	2 545 790	2 545 790	2 617 233	2 788 796	2 941 987
Public corporations	1 000	1 500							
Subsidies on products and production (pc)									
Other transfers to public corporations	1 000	1 500							
Private enterprises	1 959 610	2 340 673	2 052 599	2 476 667	2 545 790	2 545 790	2 617 233	2 788 796	2 941 987
Subsidies on products and production (pe)									
Other transfers to private enterprises	1 959 610	2 340 673	2 052 599	2 476 667	2 545 790	2 545 790	2 617 233	2 788 796	2 941 987
Non-profit institutions	6 363 120	6 380 873	5 660 956	7 721 568	6 492 204	6 499 704	7 142 320	7 560 741	7 906 209
Households	4 874 436	6 090 004	6 118 557	864 536	6 167 398	5 751 401	6 426 862	6 332 744	6 623 682
Social benefits	271 221	306 088	313 594	241 624	252 185	251 462	252 052	265 799	279 756
Other transfers to households	4 603 215	5 783 916	5 804 963	622 912	5 915 213	5 499 939	6 174 810	6 066 945	6 343 926
Payments for capital assets	6 126 861	5 882 142	5 073 789	10 133 536	5 729 403	6 410 018	5 269 601	5 750 122	5 389 537
Buildings and other fixed structures	4 515 804	4 638 347	3 759 660	8 528 385	3 893 200	4 573 226	3 289 819	3 715 537	3 332 457
Buildings	3 183 696	3 690 575	2 750 618	7 533 836	2 786 485	3 523 672	2 615 045	2 013 328	2 312 107
Other fixed structures	1 332 108	947 772	1 009 042	994 549	1 106 715	1 049 554	674 774	1 702 209	1 020 350

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Machinery and equipment	1 460 346	1 188 159	1 282 488	1 570 066	1 774 871	1 775 460	1 957 695	2 015 278	2 034 768
Transport equipment	470 163	270 516	304 183	235 322	222 704	216 670	332 441	323 371	353 000
Other machinery and equipment	990 184	917 643	978 305	1 334 744	1 552 167	1 558 790	1 625 254	1 691 907	1 681 768
Heritage Assets					10 625	10 625	5 463		
Specialised military assets									
Biological assets									
Land and sub-soil assets	9 499	23 210	14 206	17 182	36 984	36 984	5 868	7 915	10 376
Software and other intangible assets	141 212	32 426	17 434	17 903	13 723	13 723	10 756	11 392	11 936
Payments for financial assets	41 833	75 178	50 012		772	7 344			
Total economic classification	95 060 304	104 354 606	110 845 487	121 359 155	123 278 851	124 649 315	132 442 501	140 445 519	150 389 962



ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

VOTE 1

OFFICE OF THE PREMIER

To be appropriated by vote in 2019/20	R 996 271 000
Responsible Executing Authority	Premier of the Gauteng Provincial Government
Administering Department	Office of the Premier
Accounting Officer	Director-General

1. OVERVIEW

Vision

Leadership for an integrated city region, characterised by social cohesion and economic inclusion; the leading economy on the continent, underpinned by sustainable socio-economic development.

Mission

In achieving its vision, the Office of the Premier (OoP) defines its mission as follows:

- Providing strategic leadership and direction to government and society;
- Ensuring the transformation and modernisation of the public service;
- Improving government performance and service delivery through enhanced planning, coordination, monitoring and evaluation of government performance;
- Driving effective communication and stakeholder interfaces with communities and key sectors of society;
- Providing strategic and operational support in fulfilling constitutional and legal obligations;
- Actively advancing gender equality, women's empowerment, youth development, the rights of older persons, military veterans and people with disabilities; and
- Securing domestic and foreign partnerships that support the development agenda.

Strategic goals

The strategic goals of the OoP to 2020 are as follows:

- Driving greater policy and planning coherence in government and achieving service delivery outcomes;
- Building a transformed Gauteng public service with the capacity to drive change and modernisation;
- Promoting and facilitating effective communication between government and the people of Gauteng;
- Forging strategic partnerships that advance the national and provincial development agenda; and
- Advancing gender equality, women's empowerment, youth development, the rights of people with disabilities, older persons and military veterans and promoting socio-economic inclusion.

The 2019/20 financial year represents the final year of office for the fifth administration of Gauteng Province. For the MTEF 2019/20–2020/21 planning period, the strategic plan for the five-year period (2015–2020) remained relevant and unchanged, as there were no changes to the legislative mandate, nor major changes in the operational environment of the OoP.

The review of the Annual Performance Plan (APP) considered changes in the performance environment. This would affect the execution of the OoP's mandate. In this regard, the OoP undertook an environmental scan to assess such factors. The 2019/20 APP focuses on strengthening the implementation and alignment of provincial plans in order to support the continued implementation of the TMR Programme to transform, modernise and re-industrialise the Gauteng City Region.

The OoP has made significant strides in addressing the challenges in the economic and social performance environment in Gauteng. There is evidence of improvements in access to basic services such as water, sanitation, electricity, refuse removal, public health care, education, housing, transport and social amenities. However, government recognises that many challenges remain and that radical socio-economic transformation is required to address poverty, unemployment and inequality further. Therefore, government initiatives cannot continue to operate in a 'business as usual' manner.

South Africa's weak economic outlook places further constraints on government spending and points to the need to pay further attention to improving the impact of expenditure on government programmes. In addition to continued increases in Gauteng's population, low economic growth prospects tend to further increase the social pressures, particularly on disadvantaged individuals, households and communities and increase demand for access to quality public services.

Core functions and responsibilities

Overall leadership of government and society

As the apex institution of the Gauteng Provincial Government (GPG), the OoP provides overall leadership to government and society. Particular emphasis is placed on research, strategic analysis and policy development. The OoP intervenes in key sectors to unlock growth and employment potential as well as re-vitalise township economies with the aim of radically transforming the overall economy. It also targets the transformation of society by improving education, modernising health institutions, upgrading the quality of health care and tackling urban poverty as well as social development challenges. It is also responsible for innovation in public transport as a means of effecting spatial transformation and for building new, sustainable and integrated human settlement and cities.

Transformation and modernisation of the public service

The responsibilities of the OoP, with regard to transforming and modernising the public sector, involve building developmental state capabilities through better organisation and professionalisation, particularly in financial management, budgeting and supply chain management. These responsibilities include stimulating activist, purpose-driven and results-based government as well as promoting an active citizenry through sectoral engagement and community mobilisation. The OoP fulfils an inclusive transversal role that is significant for the realisation of strategic and political objectives, including providing transversal human resources capacity, cabinet secretariat services, legal and legislative drafting services, communication services, service delivery improvement and change management and security, threat and risk management services for government buildings and management of the residences of political office bearers.

Planning, monitoring and evaluation (coordination and integration)

The core function of the OoP is to improve government performance and service delivery. This will be achieved through enhanced planning, coordination as well as monitoring and evaluation of government performance. The results of the survey showed the huge migration to Gauteng that requires a centralised and spatial planning capability, performance monitoring and evaluation (PME) as well as strategic planning and agenda setting to ensure that the needs of citizens are adequately addressed.

Delivery Support Unit

The Delivery Approach supports the implementation of the Ten-Pillar Programme of Transformation, Modernisation and Reindustrialisation (TMR) of the GCR. Following the adoption of the Deliverology Approach in 2016 to accelerate and improve service delivery in the current term of office, the province identified and defined the apex priorities and projects that would unlock visible, innovative solutions to difficult problems and new opportunities during the term. The province defined its main priorities in the departments of education, economic development, community safety, human settlements, health and public transport. The other eight provincial departments were responsible for the secondary priorities of the province and they had to adopt the Deliverology Approach to define and track their priorities.

The OoP established the Delivery Support Unit (DSU) within the Gauteng Planning Division to facilitate the implementation of the Deliverology Approach in the Province. The approach required the provincial departments to develop their goal statements and strategies that would enable them to achieve the goals for the remainder of the political term ending in 2019. The Premier and the Members of the Executive Council (MECs) agreed on these goal statements and strategies, which informed the formulation of delivery agreements that the Premier signed with the MECs for 14 provincial departments.

Communication and stakeholder interface for sectors of society

The OoP ensures effective communication and stakeholder interfaces with communities and key sectors of society by building public confidence in government through:

- Sustained awareness of government progress as well as good work and programmes to address challenges;
- Improved responsiveness;
- Sustained engagement with stakeholders; and
- A programme of public participation linked to building public confidence in government and improved access to information.

Support for the Premier and Executive Council

The OoP provides strategic and administrative support to the Premier and Cabinet in terms of fulfilling their mandate, constitutional and legal obligations to realise the policy priorities and political imperatives of the fifth administration. The OoP will ensure the development of the legislative agenda for the province. It will provide strategic support and advice to the Premier and Executive Council (EXCO). The Cabinet Secretariat will provide support to the EXCO and clusters to ensure optimal

integration and coordinated policy development, policy implementation and action. The OoP will ensure effective and efficient implementation of the 2015 - 20 Medium Term Strategic Framework (MTSF) mandate.

Inter-governmental relations

Building sustainable intergovernmental relations between the three spheres of government, across the province and among provinces, is key to ensuring achievement of common goals in the spirit of the GCR. Securing partnerships that support the national and provincial development agenda, and ensuring proper coordination and partnership on joint programmes, will contribute to maintaining good inter-governmental relations.

Mainstreaming issues of gender, youth, people with disabilities, elderly persons and military veterans

The OoP promotes socio-economic inclusion and actively advances gender equality; women's empowerment; youth development and the rights of people with disabilities, older persons and military veterans. It also coordinates and drives the development and implementation of the Gender, Youth, People with Disability, Military Veterans and Older Persons (GEYODI&MVO) Policy Framework and the annual programme of action. Lastly, it facilitates capacity building and the institutionalisation of GEYODI & MVO rights.

The Tshepo 1 Million Programme seeks to seize the opportunity presented of over 2.7 million young people in Gauteng who are not in school or active in any form. This youth could be involved in skills development or training. The programme uses a comprehensive clearinghouse system to channel youth, with a range of different skill levels and profiles, into four types of opportunities falling under four pillars. The first pillar is the demand-led learning, which focuses on training and skills development linked to verifiable market demand. The second pillar is the transition placement, which focuses on paid work done on a temporary basis aimed at developing work experience and/or sector-specific skills. The third pillar is the decent job opportunity, which focuses on paid work on contract (preferably permanent work) at or above sectoral minimum rates for full-time work in a given sector. The fourth pillar is SMME or entrepreneurship, which focuses on the facilitation of young entrepreneurs establishing and operating new enterprises or franchises.

These four pillars, under the new operational design, are not isolated interventions but are components in an ecosystem as Pillar 1 serves to enable pools of candidates that can take up opportunities under Pillars 3 and 4.

Service delivery interventions

The OoP facilitates a responsive, efficient, effective development-orientated Gauteng public service through service delivery improvements. It aims to create service delivery interventions that are able to respond quickly to concerns or failures. Through the Cabinet Secretariat, the OoP will ensure that the Premier and the members of the EXCO are at the forefront of service delivery which will be the hallmark of the fifth administration. The roll-out of the Premier's Ntirhisano Outreach Programme will continue in the Province. As part of the roll-out of the Service Delivery War Room (SDWR), a central command centre has been established and human resources have been deployed. Central information centre analysts and the Rapid Response Team are currently using manual processes as engagements with GCR departments. The dashboard and reporting systems are in the finalisation process. The aim of the Central Information Centre is to enhance government responsiveness to citizen complaints and queries.

Main services

The main services of the OoP are:

- Provision of leadership to the entire government and society;
- Overseeing the effective functioning of the entire provincial administration and fast-tracking delivery of the policy priorities of this term of office, and implementing the National Development Plan (NDP) Vision 2030;
- Long-term planning, policy coordination, monitoring and evaluation of government performance on priorities;
- Communication and interface with communities and key sectors of society;
- Provision of strategic and administrative support to the Premier and Cabinet in fulfilling their mandate, constitutional and legal obligations and realising the policy priorities and political imperatives of the fifth administration; and
- Mainstreaming gender, youth, disability and elderly people's government programmes.

Programme of Transformation, Modernisation and Re-industrialisation

The vision of the fifth administration - "an integrated city-region, characterised by social cohesion and economic inclusion; the leading economy on the continent, underpinned by sustainable socio-economic development" - caused a review of the role and strategic direction of the OoP. The OoP plays a leading role in Gauteng's service delivery, which is now driven by Ten-Pillar Transformation, Modernisation and Reindustrialisation (TMR) Programme pronounced in 2014. The TMR Programme aims to transform, modernise and re-industrialise the province through focusing on the basics of service delivery, good governance, building integrated human settlements, unlocking key sectors of growth, promoting innovation and providing opportunities for employment and development.

National Development Plan

The National Development Plan (NDP) Vision 2030, which was adopted by the National Executive in 2012, is the visionary blueprint of government and society (including business, labour, faith-based organisations, youth, women, elderly and the

disabled). It is a collaborative partnership aimed at reducing poverty and unemployment and building an inclusive, national democratic society by 2030. Giving effect to this broad plan is a series of MTSFs. That of 2015 – 2020 was the first of three such frameworks and identifies the critical actions to be prioritised in the first five years of the NDP Vision 2030.

External activities and events relevant to budget decisions

External activities in the OoP relate to engagement with governmental and non-governmental institutions, including the private sector, to realise the outcomes of the NDP which are outlined above. Based on the decisions of EXCO Makgotla that relate to these outcomes, budgets reflect the channelling of funding to the identified priority areas.

Acts, rules and regulations

Intergovernmental Relations Framework Act, 2005;
 Broad-Based Black Economic Empowerment Act, 2003;
 National Youth Policy Development Framework, 2002-2008;
 Public Service Regulations, 2001 as amended;
 Preferential Procurement Policy Framework, 2000;
 Promotion of Access to Information Act, 2000;
 Promotion of Administrative Justice Act, 2000;
 Promotion of Equality and Prevention of Unfair Discrimination Act, 2000;
 South African National Policy Framework for Women Empowerment and Gender Equality, December 2000;
 Public Finance Management Act, 1999;
 Employment Equity Act, 1998;
 Skills Development Act, 1998;
 Basic Conditions of Employment Act, 1997;
 Constitution of the Republic of South Africa, 1996
 National Programme of Action for Children Framework (NPA), launched in 1996;
 Labour Relations Act, 1995 as amended;
 South African Qualifications Authority Act, 1995;
 Public Service Act, 1994 as amended;
 Occupational Health and Safety Act, 1993;
 National Development Strategy;
 White Paper on the National Youth Service Programme; and
 White Paper on Transforming Public Service Delivery (Batho Pele White Paper).

Provincial legislation

The OoP derives its mandate primarily from the Constitution, the Public Service Act (PSA) and its regulations, the Public Finance Management Act (PFMA), policy directives and the overall mandate of government. The most important provisions are that:

- The Premier has executive, policy, legislative, intergovernmental and ceremonial functions and responsibilities as defined in Chapter 6 of the Constitution of the Republic of South Africa.
- The Premier, as the political head of the provincial government, is responsible for the implementation of Chapter 3 of the Constitution. Section 41(1) defines the relationship and principles underlying cooperation between the various spheres of government.
- In terms of Section 125(2) of the Constitution, the Premier exercises the executive authority of the province together with other members of the EXCO. The Premier appoints these members, assigns their functions and responsibilities, and delegates powers to them.
- The Premier, with the EXCO, exercises executive power by:
 - Implementing provincial legislation;
 - Implementing all applicable national legislation;
 - Developing and implementing provincial policy;
 - Coordinating the functions of the provincial administration and its departments;
 - Performing any other function assigned to the provincial executive in terms of the Constitution or an Act of Parliament; and
 - Implementing new national policies introduced by the Department of Performance Monitoring and Evaluation in the Presidency which relate to the outcomes-based approach to improving the performance of government, frontline service delivery monitoring, the introduction of a management performance assessment tool and a national evaluation policy framework.

Good governance legislation

Good governance in the OoP is ensured, inter alia, by guidance from - and compliance with - a number of policies and the legislative framework governing the functioning of the OoP and the Premier as the head of the provincial government. A

cooperative governance and stakeholder engagement framework forms the basis of interaction with a range of stakeholders including the citizens of Gauteng.

The governance framework is built as a tool to ensure a strong governance environment and as a mechanism to strengthen accountability. The OoP has established structures and/or mechanisms to ensure accountability and participative governance.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

The OoP developed the 2018/19 APP as the fourth and penultimate annual plan for implementing the goals and strategic objectives outlined in the revised 2015/16-2019/20 Strategic Plan. The preparation of the APP for 2018/19 considered the poor global economic environment and its impact on the South African economy. The OoP is aware that the economic situation insulated from the global financial crisis because of the austerity measures the government put in place, the fiscal discipline and application of good corporate governance measures.

The Office of the Premier continued to implement the Deliverology Approach to accelerate and improve service delivery in the current term of office. The Approach serves to support the implementation of the TMR Programme. The OoP relied on numerous strategic levers or engines, which provide the thrust required for the realisation of the Ten Pillar Programme and strategic game changer projects.

In the 2018/19 financial year, OoP strengthened planning, monitoring and evaluation across the provincial government, towards ensuring the integrity and accountability of public institutions and improving the OoP systems of communication by increasing investment in external communication with an intention of enhancing the exchange of information between government and the residents of Gauteng. The Ntirhisano Outreach Programme, led by the Premier, continued to address a myriad of service delivery complaints in communities. The OoP continued to support and mainstream the targeted groups, such as Gender, Youth, People with Disability and Older Persons and Military Veterans.

An overview of the performance environment - against each of these defined engines which inform 2018/19 planning, are provided below.

Ten-Pillar Programme of Transformation, Modernisation and Re-Industrialisation

The revised strategic plan for 2015 - 2020 reaffirms the Ten Pillar Programme of TMR as the blueprint for ensuring rapid economic and social transformation for Gauteng Province. The TMR Programme is informed by the NDP, 2030, the MTSF, 2014-2019 and the electoral mandate of the fifth administration. The overriding vision of building a sustainable and inclusive globally competitive Gauteng City Region (GCR) remains firmly on track.

As the TMR Programme - to transform, modernise and reindustrialise the GCR - gathers implementation and execution momentum, the focus for the 2018/19 APP shifts to implementation and alignment.

The OoP contributes to the TMR pillars and is specifically accountable for the pillars relating to decisive spatial transformation, transformation of state and governance and modernisation of the public service. It also ensures that the ten pillars are integrated into the plans of all Gauteng provincial departments and that their implementation is monitored, evaluated and reported on.

Two additional executive council sub-committees were established, namely the Health Sub-Committee to deal with the establishment of a financial rescue plan for the Department of Health and the Labour Relations Sub-Committee to deal with aspects of sound labour relations and ensuring labour peace in the province. The OoP has continued its policy, research and secretariat support to the Executive Council. It has met the targets for such support set for the year.

Daily Disaster Management Executive Council Subcommittee and work stream meetings were held in support of the GPG intervention into the Emfuleni Local Municipality to attend to the fire at the Bank of Lisbon Building and the evacuation of various GPG buildings.

To transform the state and governance, the OoP focuses on state capacity, the reduction of fraud and corruption and activist, responsive, participatory governance. A key deliverable in 2017/18 was to transform and modernise the OoP to deliver as required by the TMR Programme. By the financial year-end, the SDWR institutionalised as a central location from which service delivery interventions are coordinated across the province and all spheres of government.

The OoP contributes to the modernisation of the public service through automated systems. A key deliverable is to provide oversight and technical support in implementing provincial projects that will boost the OoP's integrated planning function.

November 2016 marked the mid-term of the current five-year term of office. The purpose of this mid-term Review of GPG performance from 2014 to 2016 is to critically review and reflect on the evidence regarding the progress made to date as well as the challenges in implementing the TMR Programme and in building a province in which every resident lives in dignity and

has a decent quality of life. The review further provides the basis for prioritisation as well as policy and programme adjustments to achieve better results for citizens going forward to the end of term in 2019.

In delivering in terms of its roles and functions, as the apex institution of the GPG, the OoP relies on a number of strategic areas that drive service delivery. These areas were determined through a process of strategic conversations and engagements among the political and administrative structures within OoP. The focus of each area is summarised below.

Active monitoring, evaluation and rapid response capability and mechanisms for service delivery intervention.

To enhance GCR-wide planning and policy coherence, an important project was initiated by the Extended EXCO Lekgotla to align provincial and municipal planning and monitoring instruments with the Sustainable Development Goals (SDG), the African Union Agenda 2063, the National Development Plan (NDP) and the TMR Programme. The process resulted in the development of a GCR indicator framework for the short, medium and long-term plans of provincial government departments and municipalities in Gauteng.

Linked to the TMR priority of building a more activist and responsive government, in 2017/18 the Frontline Service Delivery Monitoring (FSDM) Programme re-positioned to ensure greater alignment with the Ntirhisano Outreach Programme. This served to help drive improvements and resolve problems in public facilities as identified by residents as part of the Ntirhisano Programme. Three feedback visits for FSDM improvement plans undertaken during quarter three reporting period brings the total number of visits to 15 at the end of third quarter.

A variety of projects were initiated to contribute to the modernisation of performance monitoring and evaluation systems and capacity. Key among these are the PME Diagnostic and the PME system automation projects. The Diagnostic seeks to provide an objective assessment of the provincial government's capabilities regarding strategic planning and monitoring as well as the evaluation of policies and systems. The findings and recommendations of the study will provide the basis for the development of a new PME Policy Framework for Gauteng. The PME Automation Project - to develop an automated system and dashboard for PME systems - was handed over to the Department of e-Government in 2017/18.

The second draft APPs for 2019/20 of all 14 departments were analysed for alignment to the provincial priorities and to the framework for strategic plans and annual performance plans. Feedback on the analysis were provided to the departments with recommendations for improving the plans towards the final draft submission. Furthermore, individual sessions on analysis of APP held with the Department of Economic Development, Cooperative Governance and Traditional Affairs, the Department of Community Safety, the Department of Human Settlements, Agriculture and Rural Development and Sport Arts Culture and Recreation to discuss the feedback on the analysis.

The results for MPAT 1.7 were released by DPME in March 2018. MPAT 1.7 results also showed great improvement in the GPG's overall results. Gauteng's average score has been on a consistent upward trend since inception (from 2.0 for MPAT 1.2 to 3.1 for MPAT 1.7). However, there is still a room for improvement to reach the level of Full Compliance and Doing Things Smartly (Level 4). The OoP continues to be among the best-performing departments in the Gauteng Provincial Government with a 90 per cent compliance level achievement. MPAT 1.7 Improvement Plans on all KPAs developed, and peer review workshops and improvement workshops, were held to share good practices and identify interventions to correct poor performance. Generic weaknesses identified in KPA 1, across all standards, were compiled into provincial implementation plan that tracked during 2018/19 financial year. The OoP will continue to provide support to the departments to strengthen the current processes and systems and to seek adherence to policy requirements as an enabler for good management practices and performance.

The new (Management Performance Assessment Tool) MPAT 1.8 Standards was released by DPME on 13 September 2018. Assessment commenced on 17 September 2018 and concluded on 17 October 2018. The implementation of the MPAT 1.8 went smoothly and all departments submitted their self-assessments to DPME. The MPAT Standard 1.3.2 on Evaluation re-introduced in December 2018 in view of the significance of the evaluation practice in government. The departments requested by the DPME to submit the Self-Assessment for the Evaluation Standard and all the evidence by early February 2019.

An outcomes evaluation of the 2012 Gauteng Provincial Integrated Anti-Substance Abuse Prevention and Treatment Strategy highlights areas of improvement in implementing the strategy and determines if any outcomes achieved thus far. The study used a mixed-methods research methodology with a sample that included 117 semi-structured interviews, 25 focus group discussions and face-to-face interviews with 1 800 respondents across Gauteng.

The FSDM Improvement Intervention in the Healthcare Sector was introduced in 2011 as a key initiative to directly monitor and verify frontline service delivery performance at public service delivery sites. The evaluation included both qualitative and quantitative techniques.

The OoP has initiated a design evaluation for the Anti-Corruption Strategy and Integrity Management Programme. The purpose of the evaluation was to evaluate the Theory of Change in the Gauteng Anti-Corruption Strategy as well as to develop a monitoring and evaluation framework based on this theory. A draft report, Monitoring and Evaluation Framework and Theory of Change, was developed.

In 2018/19, the OoP is conducting evaluation on the Gauteng Safety Strategy which is a design evaluation initiated to produce an unbiased appraisal of a programme's benefits. The evaluation will focus on the effectiveness of the Monitoring and Evaluation Framework as well as the design of the Theory of Change. The evaluation is still in the procurement phase.

In terms of the Ntirhisano Outreach Programme evaluation, the OoP initiated an Implementation evaluation, which will focus on whether programme activities are implemented as intended. The evaluation will also measure programme effects in the targeted population by assessing the progress in the outcomes or outcome objectives that the programme is to achieve. This evaluation is still in the procurement phase.

Service delivery interventions

The Ntirhisano Service Delivery Rapid Response System is a key area of work for this cluster to ensure quicker response times to service delivery issues and strengthening of IGR governance.

The OoP is a central location for coordinating the intervention across the province and across all spheres of government. The intention is to intervene on a particular service delivery matter for a finite period until sufficient progress is made to place the matter back to the relevant government department or public entity. The necessary capability and capacity around early warning systems and rapid response was developed and the SDWR is operational. To date, 160 war room structures were assessed for functionality. Data was collected for the Central Information Centre (CIC) from government departments through the Geographic Information System (GIS). The data is loaded on the CIC system. Working with PME on Ntirhisano commitments and Public Hotline the Unit managed to draft CIC Indicators.

Preparatory work undertaken for the Ntirhisano Outreach engagements with communities to identify key community concerns in each area and facilitate the resolution of these by departments and municipalities. A system to monitor the resolution of commitments made as part of the Ntirhisano Outreach, on a monthly basis, implemented and regular reports were developed and tabled in the EXCO system. Commitments were tracked to a point of resolution and key issues emanating from the visits were integrated within planning and budgeting processes. Three hundred and seventy-five key community-wide service delivery concerns were tracked for progress. One hundred and thirty-five commitments were achieved and good progress in resolving 240 commitments were made. Processes are on track.

During the quarter 3 period of 2018/19 financial year, the Public Liaison Hotline received 1 294 cases. The hotline resolved 194 (15 per cent) of cases at first contact level. The GCR departments and municipalities resolved 267 (21 per cent) of cases escalated from the hotline. The balance of 833 (64 per cent) of open cases was received and escalated, they are within 35 calendar days and are in progress for resolution. The majority of open cases are project related, e.g. request for housing, pre-paid meter installation and electricity supply to households. The ICT infrastructure remains a challenge for the hotline and the office continues to engage e-Gov to find a lasting solution.

Coordinated by the OoP, the accelerated version of the Tshepo 1 Million Programme benefited more than 541 550 young people. The programme accelerated and raised the standard for each pillar Tshepo 2.0:

- Pillar 1 accounts for approximately 117 987 young people placed in learning that leads to jobs/employability,
- Pillar 2 accounts for about 27 554 young people on the job/temporary training placements linked to post-training employment,
- Pillar 3 enabled 15 013 young people to take up full-time jobs, through the clearing house, and
- Pillar 4 enabled 2 331 young people to access self-employment.

In respect of quarterly targets, the programme is well above target on Pillar 1 (learning that leads to jobs), enhanced by the continued roll-out of the mass digital learning system.

About 60 per cent of beneficiaries of Tshepo 1 Million Programme are young women, 73 per cent live off social grants, while an additional 17 per cent live in households without any formal or grant income. About 16 per cent live in informal dwellings/shacks and the majority live in households of between 5 and 11 people. Each young jobseeker who gains an income through this programme supports an average of 4 - 5 other people. 41 per cent of the youth in this programme have children of their own.

The Tshepo 1 Million Programme is also the first provincial programme that integrates formally with the Youth Employment Service (YES) Initiative. To date over 40 private companies have signed up for partnership in support of the programme.

Proactive and targeted communication of government priorities and the programme of action

Communication services in the province is transformed and modernised to enable the effective communication of the rollout of the Gauteng Government priorities. The focus moved from reactive to proactive communication and - in addition to traditional communication and media platforms - social media channels are prioritised as these enabled direct communication with communities.

Key considerations of the GCR Communications Strategy are a radical shift away from personality-linked branding and marketing towards institutional branding and positioning of Gauteng as a province and as a government. This is a multi-pronged approach to communicating the Ten Pillar Programme of the Gauteng Government with regular and proactive updates. This includes integrated planning and coordination, monthly and quarterly communications forums, improving communications capacity across all spheres of the Gauteng Government, community engagements and the effective handling of legislative questions and responses. The pillars of the communications framework are: stakeholder relations, media relations, brand activation and reputation management.

As part of SOPA 2018, a live broadcast facilitated with more than fifteen media houses taking the feed of the Premier's Address live in various languages. It is estimated that more than 10 million listeners and viewers were reached. The OoP rolled out an outdoor campaign to promote the importance of a collaborative programme to improve service delivery and develop communities. Preparations are underway for SOPA 2019.

Media engagements were undertaken on a regular basis to promote and profile the work of government. These include coordination of media coverage for major service delivery programmes, events and outreach programmes. To strengthen relations with the media, the Premier and MECs undertake visits to media houses and meet regularly with editors and senior journalists. Monthly media monitoring and analysis reports were produced to inform strategic interventions on communications. Research was commissioned, including perception surveys and focus groups, to determine the mood and views of the people on a range of issues.

Multimedia campaigns on the Ten-Pillar Programme of Radical Transformation, Modernisation and Reindustrialisation were implemented through various media platforms, including government media products and the digital media. The Office of the Premier provides event management services on key GPG programmes, including SOPA, international and national commemorative days and public participation events, such as Ntirhisano Outreach Programme and government onsite mobile services. The OoP has also rolled out an outdoor campaign to promote the importance of a collaborative programme to improve service delivery and develop communities.

The implementation of the communication strategy has led to a general improvement in communication between the people and the GPG.

Transformation and modernisation of the state

All departments submitted their SMS performance contracts for the 2018/19 financial as required by the Public Services Regulations (PSR), 2016. About 95 per cent (733 out of 771) SMS members have contracted. The remaining 5 per cent was accounted for in terms of the PSR, which allows for a period of three months for a newly appointed SMS member to enter into a performance contract.

The OoP continues to inculcate the Occupational Health and Safety (OHS) culture in GPG departments. The office became part of the OHS Work Stream led by the MEC for DID, HOD and organised labour on 9 October 2018. Support and strategic advice was provided to the GPG Organised Labour Occupational Health and Safety Committee (GPG-OLOHSC). OoP further developed Terms of Reference for the MEC to guide GPG OLOHSC.

The OoP hosted a psychotherapeutic case management and peer supervision session on 27 November 2018 with about 120 workplace psychologists, social workers, counsellors, and PILIR practitioners. These specialists are at the coalface of mental health, suicide, financial and marital issues that employees struggle with daily. This session provided guidance to challenging cases that EHWP Coordinators are struggling with predominantly in regional offices.

A policy support workshop with GPG departments was hosted. High on the agenda was strategic reporting, mental health and OHS challenges. The DPSA provided strategic guidance and support to provincial EHWP Coordinators on the implementation of safety health risk and quality management, health and productivity management, HIV/AIDS and wellness management. The biggest challenge in all GPG departments remains the lack of HR capacity to implement the EHWP Strategic Framework.

GPG employees are never without assistance as several EHWP programmes are made easily accessible to them and their families. EHWP is live online. This is targeting the youthful employees as well as more than 30 000 employees who have desktops. OoP launched an application on the Google Play store. Employees can now schedule appointments by using the application. The online platform provides employees with rich information on a myriad of topics that change very often. Topics covered during this quarter include saving money to assist employees with financial challenges, disability in the workplace, safety, fitness and wellness to respond to increasing mental illnesses.

The OoP advised on the development of the National Spiritual and Palliative care workshop hosted by National Interfaith Council of South Africa on 24 October 2018. The purpose of the workshop is the collective development of guidelines for spiritual and palliative care for adoption by National Legislature.

The OoP convened the interdepartmental healing and recovery ceremony planning meetings for GPG employees following the BoL fire tragedy that left three fire fighters dead. The purpose of the ceremony is to facilitate healing and restoration to ensure that employees find closure and to restore them back to functionality.

The implementation and operationalisation of the Promotion of Access to Information Act (PAIA) and Promotion of the Administrative Justice Act (PAJA) is seen as accountable citizenship. Awareness sessions, to increase the implementation of PAIA and PAJA with particular emphasis on the request for information and section 32 reports, were finalised.

In modernising the public service, the province continued to invest in the ICT infrastructure through the Gauteng Broadband Network (GBN) that provides connectivity to enable broadband access to government buildings. GBN connects Thusong Centres, 20 priority townships, urban renewal and key economic zones to e-government services.

The Gauteng Anti-Corruption Strategic Framework is in the process of implementation. Its task is to fight corruption and promote ethical behaviour and integrity in the public service. The OoP continues to monitor and respond to cases referred from the National Anti-Corruption Hotline. The Gauteng Anti-Corruption Strategy (ACS) is developed on four pillars, i.e. Prevention, Detection, Investigation and Resolution. An integrity management and anti-corruption unit was established to drive the agenda of integrity promotion across government. The implementation of fraud detection reviews resulted in full-blown investigations in high-risk areas. Provincial Integrity and Anti-Corruption Advisory Committee (IPAC) members were appointed to provide oversight of integrity management. The OoP, in collaboration with the GCRA, conducted ethics training. OoP collaborated with The Ethics Institute and Gauteng COGTA to implement the Gauteng Municipal Ethics Project that aimed at improving their internal integrity management capacity and preventative measures in municipalities.

Gauteng received 2 085 NACH cases from the Public Service Commission from 2005 to December 2018. About 1 959 of the 2 083 NACH cases received by the province have been resolved. While 126 cases are still outstanding, the percentage of NACH cases resolved to date makes up 94 per cent of the total cases. About 100 per cent (239 out of 239) of officials found guilty of fraud, corruption and unethical behaviour received commensurate sanctions. In promoting transparent and accountable governance, an open tender system to ensure a transparent system of appointing service providers was introduced. Various capacity-building programmes implemented within the province to strengthen the integrity of public institutions and public processes to prevent and detect fraud and corruption early in the value chain. Anti-corruption campaigns and the reduction of cases from the NACH is ongoing. Full compliance by SMS (100 per cent in GPG) was achieved in submitting the financial interest disclosures.

The goal of the OoP is to ensure that all departments in the province receive unqualified audit reports. This vision is supported by the Auditor General who continues to make technical teams available to assist departments to achieve clean audit reports. The OoP has set the benchmark for all government departments with a clean audit for the past four financial years, including unqualified audits in the prior years, through the implementation of efficient and effective systems of financial management, risk management and internal controls. A shift to an APP is more outcome-driven and therefore in greater alignment with the TMR priorities of the province.

An access audit undertaken to appraise defined areas of the existing buildings, to assess the extent of accessibility to services and facilities and propose the extent of works required to improve the current facilities in accordance with the definitions of universal design and access. The audit considers the needs of people with mobility impairments (including wheelchair users) and sensory impairments. The audit identified physical barriers to access against pre-determined criteria. The OoP established the Universal Design and Access Reference Group, which will contribute experienced and multi-disciplinary advice to the Gauteng City Region officials.

The process of outgoing and incoming international engagements has also led to project initiation to ensure the implementation of the existing agreement. This will form part of the 2018/19 International Relation Programme. Bi-annual information from departments and government agencies were tracked and consolidated into a report that was submitted to the EXCO for consideration and approval. The consolidated information reflects the status of the implementation of provincial international relations commitments in line with the implementation of the provincial international relations programme. The overall implementation of commitments has reflected provincial engagement follow-up per region (Africa, Europe, the Americas, Asia Oceania and the Middle East). The follow-up on the commitments identified a range from the promotion of trade and investment opportunities, social partnerships in the areas of education, training and development and people-to-people relations, and further implementation on the international commitment. This will be followed up in the 2018/2019 financial year.

The South Africa-Italy Indaba was held in October 2018. Discussion between Reggio Emilia, the GPG and the GCRO were undertaken with the potential of finalising agreements on a university and research ecosystem. In addition, the GDP hosted one of the parallel sessions focusing on water security and climate change. A major outcome of this session was the inclusion of the GPG onto the MOU (cooperation on water-related matters) between Republic of South Africa and Italy.

The EXCO approved the GCR International Relations Strategy that, amongst others, positions Gauteng as a Gateway to Africa as well as Africa's financial and services hub. The GCR International Relations Strategy proposes strategic trade and investment relations with SADC and other African and global regions.

Integrated planning and coordination

The province has adopted the GCR Spatial Development Framework 2030. This framework promotes a balance of various interests that recognises people, the environment, socio-economic dynamics and space. It outlines a need to change the apartheid spatial economy and settlement patterns in order to integrate economic opportunities, transport linkages and housing opportunities as key elements of radical economic and decisive spatial transformation. This vision will decisively transform the apartheid spatial pattern in the city region and ensure social cohesion, shared growth and a better quality of life.

In summary, the spatial vision of the GCR is to build Gauteng for all through equitable, responsible and efficient development. The spatial vision focuses on a new paradigm for spatial planning in the GCR. The framework will enable the OoP to build a more integrated and sustainable human settlements and communities that are inclusive and diverse, moving away from settlements characterised by socio-economic separation and physical fragmentation, imposing a high cost on households and the economy. In addition, steps were taken to implement Spatial and Land Use Management Act (SPLUMA) in the city region. The Executive Council and Premier Coordinating Forum have adopted the GCR Implementation Plan for SPLUMA. This implementation plan will advance spatial configuration and land use in Gauteng through better and coordinated land-use management and spatial development. There is a commitment that all role players in the development space of the city region will ensure that a new built environment and inclusive spatial landscape emerges across the GCR.

The Apex Priority Programme Office in the Gauteng Planning Division provides oversight and management of catalytic projects designed to change the face of Gauteng. The Aerotropolis is a key apex priority programme that is included in this cluster. The Aerotropolis project includes 29 industrial initiatives to re-vitalise manufacturing, aviation, transport and logistics industries linked to the OR Tambo International Airport. Other examples of apex priority projects in progress include: Township Economy Revitalisation, Gauteng E-Government, Gautrain extensions and expansion, Corridors of Freedom, West Capital Development, African Gateway Development, Lanseria/Lion Park development, Vaal River City Development, Savannah City Development, Sedibeng Regional Sanitation Scheme and Zuurbekom Regional Sanitation Scheme.

A project assessment of the upgrading of the K43 was finalised, which was classified as a successful infrastructure project completed within budget, on time and per specification. Important findings were made on how to ensure similar success in other projects.

During quarter three, the GPG - working with national government - hosted the Africa Investment Forum (AIF). The AIF is a brainchild of the African Development Bank to attract private sector investment on infrastructure throughout Africa. The AIF secured US\$32 billion in infrastructure investment across the continent and supported Gauteng's objective of leading Africa's re-industrialisation. As part of preparations for the AIF, the OoP, GGDA and GIFA advanced a number of Priority Infrastructure Projects towards financial closure. The projects include the Kopanong Precinct, Gautrain Phase 2, the Gauteng School Build Programme and the City of Johannesburg Waste-to-Energy Programme. The EXCO Sub-Committee on infrastructure, chaired by the Premier, has endorsed the ongoing work for project preparation to ensure that Gauteng is ready to take advantage of the next round of AIF.

A draft version of the GCR Water Security Plan, aimed at enhancing a multi-government and sector response to the water security challenges facing the city region, was completed. This draft plan was tabled at both the August meetings of the Executive Council Infrastructure Technical Sub-Committee and PCF Technical Committee respectively. The ultimate approval authority for the plan is PCF.

The Executive Council Infrastructure Technical Sub-Committee met on 16 August and considered a number of items related to infrastructure investment. It emphasised its support and need to focus on strengthening the relationship between infrastructure planning, spatial location of infrastructure and budget prioritisation in order to enhance implementation, corridor development and spatial transformation.

From 26 to 29 August 2018, the GPG through the OoP successfully hosted mayors and other city leaders from approximately 50 countries at the Metropolis Annual Meeting. Metropolis is the largest association of major cities and city regions across the globe, including some of the major African cities. Approximately 400 international and local delegates attended focusing on the main theme of the event which was "Inclusive Metropolitan Cities and City Regions".

An exhibition was held alongside rich content discussions which displayed diverse good practices and rich debate across different cities and stakeholders. At the end of the conference, members and stakeholders worked in unison to tackle urban development challenges and adopted a declaration focusing on a united action.

Based on the knowledge and insights gained at World Urban Forum in Malaysia earlier this year, the GPD team in OoP has developed a programme to localise the implementation of the New Urban Agenda (NUA). A first draft of the implementation

plan was developed, which identifies key programmatic areas relevant to the GCR and mobilising various stakeholders towards the implementation of the NUA.

Research work was undertaken on the following focal areas: state of youth in Gauteng that continues into the next financial year, scenario planning exercise for the GCR, three papers on the logistics, energy and pharmaceuticals sectors focused on SADC. South Africa and Gauteng were written, presented and discussed at the South Africa-Italy Indaba, with one research paper looking at Leaders of the Future and the skills set that will be required of future leaders in Gauteng. This is based on the demands of particular sectors which are currently underway and the Impact of Lifestyle Diseases on the Public Sector in Gauteng.

The current Memorandum of Understanding (MoU) between Institutions of Higher Learning and the GPG has facilitated the signing of a 99-year lease agreement with the University of South Africa. The MOU was further amended to assist in the partnership agreement between the two parties.

Delivery Support Unit (DSU)

The DSU has worked with departments to focus on improving the veracity of the targets and driving implementation. There has been a shift from accounting for performance to assisting departments to drive improvements through designing interventions. Systematic data collection by departments has remained a key concern; especially the establishment of proper baselines and the DSU has worked with departments to develop baseline data.

Pre-stocktakes was held with MECs and HoDs of all 13 departments in July and August 2018. The DSU continued engagements with all strategy coordinators as a lead-up to the planned stocktake with the Premier. Regarding the interventions in the Department of Health, various site visits were conducted to assess delivery on the ground and verify data. The Leratong Hospital, Charlotte Maxeke Johannesburg Academic Hospital and Dr George Mukhari Academic Hospital were visited with the lean team in the Department of Health to understand their hospital intervention programme. The site visits regarding the Department of Social Development focused on the ECD Centres in Katlehong and Soweto. The site visits regarding the Department of Transport focused on the assessment of pothole repairs in Krugersdorp, Benoni and Vereeniging. The focus in Human Settlements was on the participation in national intervention team. Regarding the Department of Cooperative Governance and Traditional Affairs, there was a visit to the Provincial Disaster Management Centre.

In the third quarter the Health Interaction with the lean team allowed managers to discover the inefficiencies in their organisation and deliver better value to customer from the department to understand their hospital intervention programme and Human Settlements participation in the national intervention team. The DSU also convened a workshop to identify and address blockages related to the delivery of title deeds with the department.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

Gauteng has the highest population growth rate of all provinces as people in search of economic opportunities come to settle in this province. It is estimated that net inflow of migrants will be approximately 1 million by 2021. Employment gains were recorded in seven of the nine provinces in Q3: 2018. The largest employment increases were recorded in Limpopo (41 000), Gauteng (22 000) and Mpumalanga (20 000). Free State (14 000) and the Eastern Cape (13 000) were the only provinces that recorded employment losses.

The ICT Sector is one of the new sectors with a high potential of job creation. Gauteng accounts for 57 per cent of the country's ICT industry and is the largest cluster in SA. The ICT sector in the province contributes more than 6 per cent to regional GDP. Gauteng has all the elements required to create a large and successful ICT innovation cluster in South Africa.

As in the rest of the country, sluggish economic growth has made it difficult to ensure employment numbers keep pace with growth in the economically active population. Gauteng has, however, been able to ensure that the number of people employed continues to grow. Gauteng has recorded the largest net gain in new jobs created since the 2008 global financial crisis. Despite the fact that the economy created a massive 300 000 jobs between 2014 and 2016, and another 400 000 jobs between 2010 and 2014, momentum has slowed down due to tough macro-economic conditions especially the downgrade of South Africa in 2017.

While the GCR has significant opportunities and strengths, it continues to face persistent challenges in substantially reducing unemployment, poverty, inequality and social exclusion. These continue to be largely determined by racial and gender disparities, hindering full equality and shared prosperity. Gauteng continues to experience the highest rates of in-migration and urbanisation in the country. An average of over 200 000 people move into and settle in the province on an annual basis. The province is thus highly urbanised, at 97 per cent.

Good progress has been made towards the goal of universal access to basic services in Gauteng, particularly considering that the influx of migrants into Gauteng is almost three times higher than in any other province. However, while the total number of households with basic services has increased, the proportion of households with access to safe drinking water requires

further attention. Furthermore, despite being the country's economic hub, the overall use of electricity by Gauteng households was at 90.4 per cent in 2016, lower than the national average of 91.1 per cent.

The GPG regards youth development as an integral part of the province's vision to transform Gauteng into a globally competitive city region that caters for the needs of its people. Youth development is therefore critical to sustainable economic growth and social development of the province. In its conception, the TMR is biased towards those areas and sectors of the population that continue to experience marginalisation. The TMR calls for the re-vitalisation of the township economy through a specific focus on gender, youth and disabled persons.

In terms of good governance practice, the GPG align their priorities and programmes to international and national instruments. These are the United Nation's Sustainable Development Goals (SDGs), the African Youth Charter and the NDP (2030).

Initiatives mitigating youth unemployment in Gauteng - such as the Tshepo 1 Million Programme, the expansion of youth township enterprises and entrepreneurial opportunities, and a focus on youth-targeted skills development in new strategic sectors, including the auto, ICT, tooling, foundry, furniture, tourism sectors, among others - remain top of mind as being critical.

In addition to the emphasis on youth employment, a range of other job-creation projects have been implemented in support of efforts towards the achievement of the Gauteng contribution of 23 per cent of the NDP target of 11 million jobs created by 2030. These include the implementation of the GCR Job Creation Framework for both direct and indirect job creation, as well as the implementation of a comprehensive and integrated Expanded Public Works Programme and Community Work Programme.

This brief macro-contextual perspective sets the tone for the critical review of the OoP in relation to its performance and organisational environment. It supports the framing of critical matters that influence the content of the 2019/20 APP to drive success for the period of this plan.

The NDP Vision 2030 remains the blueprint of government and informs the strategic direction of the GPG. It requires a collaborative partnership to poverty and unemployment and build a national democratic society that is socially inclusive by 2030. Giving effect to this long-term plan is a series of MTSF. The 2015-2020 is the first of three such frameworks and identifies the critical actions prioritised in the first five years of the NDP Vision 2030.

The OoP is responsible for the coordination of all fourteen national outcomes and the NDP but is primarily responsible for the implementation of outcomes 11, 12 and 14 of the NDP and the MTSF.

The revised Strategic Plan for 2015 - 2020 re-affirms the Ten Pillar Programme of the TMR as the blueprint for ensuring rapid economic and social transformation for the province. The TMR Programme informed by the NDP 2030, the MTSF and 2014-2019 electoral mandate of the fifth administration. The overriding vision of building a sustainable and inclusive globally competitive GCR remains firmly on track. The OoP will continue to provide political and strategic leadership over the GCR and to the Premier and the EXCO, with enhanced service delivery continuing to be the distinguishing feature of the provincial government.

Building on the foundations of the prior years, the OoP will continue to fulfil its role as the political management nerve centre and apex of the provincial government by responding positively to the demands placed on the OoP by the EXCO, national government and civil society.

In the 2019/20 financial year, OoP will further strengthen monitoring and evaluation across the provincial government towards ensuring the integrity and accountability of public institutions and improve our systems of communication by increasing investment in external communication with the intention of enhancing the exchange of information between government and the residents of Gauteng. The Ntirhisano Outreach Programme, led by the Premier, will continue to address a myriad of service delivery complaints in communities.

With only a few months left until the end of term of office, intensive work is required by all GPG departments. Platforms will be created for knowledge-sharing and good practice across all GPG departments. The OoP will continuously ensure and support GPG departments to focus on poor-performing strategies and the development of tailor-made solutions. The two-day combined stocktakes for all GPG departments will continue. Data verification processes will further be driven through increased site visits.

All institutional challenges will be addressed immediately to unblock bottlenecks. The Office will further prepare monthly progress notes through the Delivery Support Unit to inform accurate decision-making. The process of driving delivery will be reviewed as part of the end of term process to accelerate and improve service delivery in the current term of office. In particular, "Deliverology" will enable significant improvement in the manner in which the apex priorities are managed, implemented, monitored and reported on.

The implementation of the new approach to international engagements abroad and in Africa will be accelerated in the coming year to ensure that GPG is taking the lead in Africa's industrial revolution.

The OoP will accelerate service delivery and continue to strive to be a responsive and accountable provincial government that serves the people of Gauteng.

A summary of the key deliverables is outlined below.

Executive Council System

In line with Section 132 of the Constitution of the Republic of South Africa, Provincial Executive Councils are established as the principal decision-making body of a provincial government. The strategic orientation of the Gauteng Executive Council is premised on a people-centred and people-driven government and an Executive Council System that promotes sustained development through the effective and efficient implementation of the TMR Programme supports its work.

In addition to making decisions on policy, strategy and the legislative programme of the province, the Executive Council has resolved to also play a stronger role in aligning and driving the Provincial Programme of Action through monitoring the targets set for Executive Council sub-committee and technical cluster programmes and ensuring their implementation through interdepartmental and intergovernmental coordination across all spheres of government.

As the fifth term of Administration comes to a close, the Executive Council has resolved to move faster in implementing its priorities and completing commitments made. This has resulted in a number of targeted executive sub-committees that are geared towards implementation.

Active monitoring, evaluation and rapid response capability and mechanisms for service delivery intervention

Performance monitoring and evaluation is the key driver in implementing the 10 Pillar Programme of the Gauteng Government, and has been increasingly geared towards the coordination, management and monitoring of integrated planning and enhanced service delivery as well as the provision of early warning notifications of service delivery failures. This consists of effective FSDM, MPAT reporting; timeous reporting of areas of below par performance pertaining to the performance objectives and indicators of the GPG; conducting performance and service delivery quality evaluations and reporting to facilitate a rapid response of corrective actions.

Performance monitoring and evaluation will continue to be a priority and planning will be linked to province-wide outcomes-based performance management. Early warning systems (EWSs) will inform swift interventions in areas of sustained under-performance. These monitoring interventions will support our initiative to conduct unannounced visits and provide rapid responses to community issues and concerns.

The key OoP Deliverology planning priorities informing the 2019/20 APP include monitoring and support of all provincial departments and entities to achieve by 2019 targets by driving delivery of 80 per cent of targets set to be achieved for all six apex priority departments and 90 per cent of targets set for 2019 achieved for all eight secondary priority departments.

Service delivery interventions

The SDWR plays a significant role in enabling a more proactive and interventionist government and requires that data from various sources is processed and acted on towards monitoring service delivery across the province. Service delivery intelligence is available through multiple sources such as Community Workers, Ward Programmes, and the Provincial Hotline. Ntirhisano tracking and monitoring system has been introduced as part of the Ntirhisano Outreach Programme and regular reports are developed and tabled in the EXCO system. Commitments are tracked to a point of resolution, and key issues emanating from the visits are integrated within planning and budgeting processes, by 2019 OoP targets, to resolve 80 per cent of short-term GPG Ntirhisano commitments and 60 per cent of short-term municipality commitments. The target set to respond to escalated and received cases reduced to 45 days.

The establishment of fully functional Central War Room and CIC is underway, including a dashboard on war room systems. The Ntirhisano Community Outreach Programme will continue to be the platform that allows communities to raise their issues and concerns, encourage participation and enable communities to be part of the solution in responding and resolving queries and complaints.

Proactive and targeted communication of government priorities

Key considerations of the GCR Communications Strategy are a radical shift away from personality-linked branding and marketing towards institutional branding and positioning of Gauteng as a province and as a government, a multi-pronged approach to communicating the Ten Pillar Programme of the Gauteng Government regularly and proactively. This includes integrated planning and coordination, monthly and quarterly communications forums, improving communications capacity across all spheres of the Gauteng Government, community engagements and the effective handling of legislature questions and responses. The pillars of the communications framework include stakeholder relations, media relations, brand activation, and reputation management.

Transformation and modernisation of the state

The OoP will continue to monitor the implementation of the organisational structures of the GPG departments and the finalisation of disciplinary cases on a monthly and quarterly basis across the GPG. The implementation of the Human Resources Framework developed in 2014 will continue to be monitored to ensure technical capacity, strengthen departmental organisational capacity, reduce the funded vacancy rate including the reduction of the average time to conclude disciplinary hearings, and achieve employment equity targets (women in SMS positions at 50 per cent; and people with disabilities at 2 per cent). The Human Resources Development Strategy will be enhanced to ensure that effective institutional capacity is built and the state expenditure is reduced.

In modernising the public service, the province will continue to invest in the ICT infrastructure through the GBN to provide a platform for e-government services and cost effective public services.

The G&P Cluster will explore alternative sources of revenue generation to enable sustainable funding for the TMR Programme.

With the aim to ensure an effective and ethical public service through the reduction of corruption, the Gauteng Anti-Corruption Strategic Framework will continue to be implemented to fight corruption and promote ethical behaviour and integrity in the public service. These will continue monitoring and responses to cases referred from the National Anti-Corruption Hotline (NACH). To strengthen integrity and stop corruption through prevention, detection and prosecution of those involved, the following targets have been set for achievement by 2019: 80 per cent reported fraud and corruption cases investigated and finalised with the complex cases taking longer to finalise; 100 per cent of officials found guilty of corruption disciplined; 100 per cent of financial misconduct and economic crime cases estimated to R100 000 reported to Law Enforcement Agencies (LEA) for investigation and 100 per cent of cases of financial misconduct and economic crimes concluded and reported to the Assets Forfeiture Unit (AFU) for recovery.

The Tshepo 1 Million Management Office will continue to build partnerships with private sector in delivering some of the targets set for the programme and transitional placement. The alignment process of matching resources from the various Sectoral Education and Training Authorities with sectoral opportunities, led in conjunction with GCRA, will continue in 2019/20. Through the recently signed MOAs with private sector the Tshepo 1 Million Programme will increase the number of employment opportunities towards the set target as these are covered as workstreams that were implemented from July 2017.

In enabling youth employment and livelihoods to improve access to socio-economic opportunities by removing barriers for all citizens, through the Tshepo 1 Million Programme young people will be able to earn an income and escape poverty over the course of the term as follows: (25 000) young people placed in jobs; (20 000) in full time permanent or long-term contractor whereas (5000) enabled to run their own functioning new businesses; (115 000) young people placed in internships, learnerships and short-term work experience contracts transitional; (110 000) young people trained in skills that can get them jobs or help them start their own business and (400 000) young people be able to find employment and earn more through being certified as competent on Microsoft Office tools by 2019.

In addition, with an array of programmes being implemented to assist targeted groups to access socio-economic opportunities - including military veterans through business skills development training - targets set to be achieved by March 2019 are: 1 000 military veterans who accessed economic opportunities (jobs and business opportunities); 1 000 military veterans allocated houses; 150 military veterans and their dependants have access to bursaries; 1 000 military veterans have access to training opportunities; 40 per cent of GPG budget spend on women-owned companies and 5 per cent on people with disabilities who accessed economic opportunities.

Integrated planning and coordination

Fragmented planning is detrimental to the developmental needs of the province and results in a fragmented and visibly inefficient roll-out of capital and service delivery programmes. A centralised and integrated planning capability that pulls together and coordinates a multitude of planning initiatives across the province is a critical engine of the OoP. The planning horizon is long-term, medium-term and short-term and, alongside strategic planning, includes spatial and development planning coordinated across the municipal boundaries of the GCR. Through the implementation of the Gauteng Spatial Development Framework (GSDF) Implementation Plan, coordination of GCR-wide spatial development and land use management will be monitored.

Guided by TMR, the GCR Integrated Infrastructure Master Plan (GCRIMP) approved by the EXCO in March 2016 will continue to guide on key infrastructure investment in the city region, enhancing an integrated approach to infrastructure planning, development, maintenance and financing, in accordance with the economic and social needs of the city region up to 2030.

In terms of the Deliverology approach, the OoP will focus on 2019 delivery to improve the citizen experience of the GPG through the establishment of a developmental, transformed, integrated, capable and modernised public service in Gauteng, underpinning the achievement of the GCR vision of a strong, globally competitive and integrated city region.

4. REPRIORITISATION

In order to deliver on its mandate of leading provincial departments in improving public service delivery and of playing a central role in the planning and oversight functions, the department reprioritised the budget baselines over the 2019 MTEF to focus on priority areas to ensure that the available resources are spent on strategic priorities.

In aggregate, Programme 2: Institutional Development receives R27.4 million that has been reprioritised from the other two programmes (namely: R14.2 million from Programme 1: Administration and R13.2 million from Programme 3: Policy and Governance). These funds have been reprioritised towards compensation of employees and payments for capital assets. The transversal functions - such as Development Planning; Performance, Monitoring and Evaluation PME; Cabinet Support Services; and Institutional Support Services – that cut across all departments benefit from the reprioritisation of goods and services.

A net amount of R206 million is reprioritised within the programmes. An amount of R42 million is reallocated within compensation of employees to provide for personnel requirements during the implementation of the new structure. R124 million from transfers is reallocated to goods and services following a re-classification of Tshepo 1 Million Programme as goods and services. An amount of R4.1 million is reprioritised from the goods and services budget and it is reallocated to payments for capital assets to provide for the centralisation of a Geographic Information System (GIS) under one roof on behalf of the entire province and to provide for the replacement of computer hardware according to the three-year obsolescence model. The balance of R34 million has been reprioritised within goods and services to cater for priority projects in the province.

In 2019/20, the major change in goods and services reflects in Programme 3: Policy and Governance that increases by R127 million. The projects that support the Premier and EXCO are located in this programme; however, the increase is mainly due to the re-classification of Tshepo 1 Million Programme from transfers to goods and services in terms of National Treasury circular 21/2018. The major changes in compensation of employees reflect in Programme 2: Institutional Development that increases by R24 million and in Programme 3: Policy and Governance that decreases by R16 million to cater for the newly approved structure. The major change in payments for capital assets reflects in Programme 1: Administration that increases by R3.5 million.

5. PROCUREMENT

The Office of the Premier will procure goods and services (including consultants) efficiently, fairly and in a cost-effective manner using a transparent process. In 2019/20, the procurement of goods and services will serve to accelerate the achievement of TMR and Township Economic Revitalisation (TER) strategic objectives and targets through the implementation of the 2017 Preferential Procurement Regulations. The OoP aims to source goods and services from firms owned by designated groups when sourcing goods and services, where possible. The OoP will use procurement practices that promote supplier development and performance.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 3.1: SUMMARY OF RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	488 917	529 811	641 354	702 694	839 378	839 378	996 271	883 984	781 826
Total receipts	488 917	529 811	641 354	702 694	839 378	839 378	996 271	883 984	781 826

The department receives a provincial allocation in the form of an equitable share. The receipts increased from R488.9 million in 2015/16 to R641.4 million in 2017/18 mainly due to the introduction of the Deliverology Project, the taking-over of Tshepo 1 Million Programme from the Department of Infrastructure Development, the reallocation of the transversal EPWP function from Department of e-Government and inflationary increases.

The budget allocation amounts to R702.7 million in 2018/19 mainly driven by the Tshepo 1 Million Programme, personnel costs and project such as Integrity Management and GEYODI projects. The budget increased from R702.7 million to R839.4 million during the 2018/19 adjustments budget process. The increase provided for the expenditure incurred in respect of claims payout for the mental health care users, the costs of provincial state funerals declared in the province and the funds

for the research projects of the Department of Economic Development and the costs incurred for hosting the Africa Investment Forum meeting in the Province.

The allocation increases from R702.7 million in 2018/19 to R996.3 million in 2019/20, then it decreases to R781.8 million in 2021/22. The allocations increase because of funds allocated for the claims payout for the mental health care users in 2019/20 and 2020/21 and because of funds allocated for the continuation of the Department of Economic Development's research projects in 2019/20.

6.2 Departmental receipts

TABLE 3.2: SUMMARY OF DEPARTMENTAL RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	315	448	411	330	330	330	348	367	387
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	3	4	3	10	10	10	11	12	13
Sales of capital assets	1								
Transactions in financial assets and liabilities	148	101	221	189	189	189	199	210	222
Total departmental receipts	467	553	635	529	529	529	558	589	622

The OoP does not generate significant amount of receipts. Sales of goods and services other than capital assets relate to parking fees, application fees on township establishment and garnishee orders. Interest, dividends and rent on land relate to interest on outstanding debt such as staff debts. Transactions in financial assets and liabilities represents the amounts collected in respect of old debts.

Parking fees are the major source of receipts for the department followed by recovery of old debts. The departmental receipts increased from R467 000 in 2015/16 to R635 000 in 2017/18 because of improved collection methods. The Office of the Premier projects to collect the full budget of departmental receipts (i.e. R529 000) in 2018/19. The sources of departmental receipts will continue over the next three financial years and therefore the budget increases from R558 000 in 2019/20 to R622 000 in 2021/22.

7. PAYMENT SUMMARY

7.1 Key assumptions

The following key assumptions inform the compilation of the budget:

- Personnel is the main cost component in line with previous years and provision for inflation over the MTEF;
- Guiding decisions were made from research conducted through the Gauteng Planning Division; GCRO; University of the Witwatersrand (Wits) transfers; and PME systems;
- Finalisation of the infrastructure master plan in line with TMR Programme;
- Implementation of service delivery interventions and continuous communication with the people of Gauteng through various media;
- The Tshepo 1 Million Programme, which is the youth employment accelerator programme; and
- The Deliverology priorities

7.2 Programme summary

TABLE 1.3: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	101 054	107 648	132 725	161 526	278 428	283 519	414 477	264 372	122 667
2. Institutional Development	208 842	209 239	227 157	245 138	254 041	253 245	276 321	290 830	306 828
3. Policy & Governance	107 793	153 439	247 371	296 030	306 909	306 909	305 473	328 782	352 331
Total payments and estimates	417 689	470 326	607 253	702 694	839 378	843 673	996 271	883 984	781 826

7.3 Summary of economic classification

TABLE 1.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	385 087	436 422	568 857	670 825	643 298	643 298	659 361	701 861	746 137
Compensation of employees	235 738	256 909	281 344	307 088	307 088	307 088	341 264	346 035	367 250
Goods and services	149 349	179 513	287 513	363 737	336 210	336 210	318 097	355 826	378 887
Interest and rent on land									
Transfers and subsidies to:	19 156	19 996	20 958	21 306	182 432	187 439	326 542	173 782	26 889
Provinces and municipalities	500								
Departmental agencies and accounts									
Higher education institutions	18 505	19 000	19 950	21 306	25 306	25 306	26 542	23 782	25 066
Non-profit institutions									
Households	151	996	1 008		157 126	162 133	300 000	150 000	1 823
Payments for capital assets	13 445	13 898	13 555	10 563	13 648	12 936	10 368	8 341	8 800
Buildings and other fixed structures									
Machinery and equipment	13 445	13 836	13 555	10 563	13 648	12 936	10 368	8 341	8 800
Software and other intangible assets		62							
Payments for financial assets	1	10	3 883						
Total economic classification	417 689	470 326	607 253	702 694	839 378	843 673	996 271	883 984	781 826

The total department's expenditure increased from R417.7 million in 2015/16 to R607.2 million in 2017/18 driven largely by taking over the Employee Health and Wellness Programme from the Department of e-Government and by taking over the Tshepo 1 Million Programme from the Department of Infrastructure Development (DID). In 2018/19, the main budget of R702.7 million increases to R839.4 million during the adjustments budget process. The increase amount included funds provided for the claims payout for the mental health care users, the provincial state funerals, the research projects undertaken for the Department of Economic Development and the African Investment Forum. Over the MTEF, the allocation increases to R996.3 million in 2019/20 then decreases to R884 million in 2020/21 and R781.8 million in 2021/22. The allocation is higher in 2019/20 because of the funds allocated for the research projects and for the payment of claims for the mental health care users. A provision for the claims payout for the mental health care users is lower in 2020/21, hence a reduction in the allocation. The continuation of other programmes such as the Deliverology Programme and Tshepo 1 Million Programme informs the allocation over the MTEF.

In terms of economic classification, the compensation of employees increased from R235.7 million in 2015/16 to R281.3 million in 2017/18. The increase in staff numbers in the Office of the Premier after the takeover of functions from the other departments, the filling of posts in the approved organisational structure and the cost of living adjustments caused the

increase in compensation of employees. The budget increases from R307.1 million in 2018/19 to R367.3 million in 2021/22 to fund the salary increases and the filling of posts.

Goods and services expenditure increased from R149.3 million in 2015/16 to R287.5 million in 2017/18 largely due to the Tshepo 1 Million Programme taken over from DID and the implementation of the Deliverology Approach. In the 2018/19, the Office of the Premier received additional funds allocated for the in-year emerging priorities. Such priorities were the GPG's contribution towards the hosting of the Africa Investment Forum and the provincial state funerals declared in the province. The reclassification of the budget for Tshepo 1 Million Programme as goods and services increased the budget. Over the MTEF, the budget increases from R318.1 million in 2019/20 to R380.7 million in 2021/22 to provide for the continuation of departmental programmes.

The National Treasury circular 21/2018 necessitated the reclassification of the budget and expenditure for Tshepo 1 Million Programme from transfer payments to goods and services. Transfer payments provide for the research projects that the institutes of higher learning in the province undertake on behalf of the Province, the claims payout for the mental health care users, the injury on duty claims and leave gratuity payments. The expenditure ranging between R19.2 million and R21 million during the first three years under review was for the transfer payments to the GCRO that undertakes the research projects and for the injury on duty claims and the leave gratuity payments. The claims payout for the mental health care users began in 2018/19, hence an increase in the budget for transfer payments to R182.4 million during the adjustments budget process. The budget for the pay-outs continues until 2020/21 after which the budget for the GCRO research projects remain.

Payment for capital assets increased from R13.4 million in 2015/16 to R13.5 million in 2017/18. The trends remained high due to the replacement of assets destroyed in the fire accident at the 30 Simmonds Street offices. In 2018/19, the budget increased during the adjustments budget process to provide for the acquisition of office equipment and furniture. Over the MTEF, the allocation decreases from R10.4 million in 2019/20 to R8.8 million in 2021/22.

7.3 Infrastructure

N/A

7.4 Transfers to other entities

TABLE 1.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
GCRO-WITS	28 505	19 000	19 950	21 306	23 306	23 306	24 542	23 782	25 066
GCRO-UP					2 000	2 000	2 000		
Total departmental transfers	28 505	19 000	19 950	21 306	25 306	25 306	26 542	23 782	25 066

The amounts transferred to GCRO decreased from R28.5 million in 2015/16 to R19.9 million in 2017/18. The department entered into an agreement with the institutes of higher learning in the province to assist GPG with research to advance the goals of the GCR. In 2018/19 the budget for transfers by R4 million during the adjustments budget process following the function shift from DED in respect of the township economy revitalisation research chair project and the industrialisation research chair project. The expenditure for MTEF period in respect of GCRO research increases from R26.5 million in 2019/20 (including R4 million for research chairs) to R25 million in 2021/22.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The programme is responsible for overall strategic management and support to the Premier and the Director-General in fulfilling their statutory and political mandates. It is also responsible for providing financial management and other corporate support services including security management services to the OoP.

Programme objectives

- Effective public administration which is more responsive, convenient and accountable to the public;
- A high-performance culture across the GPG;
- Disciplined financial management across the OoP; and

- A safe and secure working environment across the GPG.

TABLE 1.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Premier'S Support	18 415	16 287	19 044	21 957	18 219	18 219	20 798	26 726	28 380
2. Executive Council Support	7 953	7 324	7 689	11 683	10 203	10 203	9 262	11 789	12 436
3. Director General	33 725	37 511	49 362	78 752	196 752	201 550	333 912	173 667	26 792
4. Financial Management	38 415	42 955	53 427	47 587	51 707	51 707	48 313	49 888	52 631
5. Programme Support	2 546	3 571	3 203	1 547	1 547	1 840	2 192	2 302	2 428
Total payments and estimates	101 054	107 648	132 725	161 526	278 428	283 519	414 477	264 372	122 667

TABLE 1.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	92 436	97 528	118 580	154 798	115 054	114 359	106 709	109 912	116 138
Compensation of employees	54 494	59 370	63 714	68 681	68 682	68 974	68 996	58 200	61 584
Goods and services	37 942	38 158	54 866	86 117	46 372	45 385	37 713	51 712	54 554
Transfers and subsidies to:		288	144		155 733	160 727	300 000	150 000	1 823
Provinces and municipalities									
Households		288	144		155 733	160 727	300 000	150 000	1 823
Payments for capital assets	8 617	9 822	10 118	6 728	7 641	8 433	7 768	4 460	4 706
Buildings and other fixed structures									
Machinery and equipment	8 617	9 760	10 118	6 728	7 641	8 433	7 768	4 460	4 706
Software and other intangible assets		62							
Payments for financial assets	1	10	3 883						
Total economic classification	101 054	107 648	132 725	161 526	278 428	283 519	414 477	264 372	122 667

The expenditure increased from R101.1 million in 2015/16 to R132.7 million in 2017/18. This expenditure related mainly to price increases of municipal utilities costs, centralised procurement of furniture and other office equipment distributed from this programme to the other two programmes. In the 2018/19 financial year, the budget allocation increases to R161.5 million to the adjusted amount of R278.2 million to fund the pay-outs to claimants and families of the mental health care users in the Province. Over the MTEF, the budget amounts to R414.5 million in 2019/20 and R264.4 million in 2020/21. These amounts include the funds for the claims payout for the mental health care users.

Expenditure on compensation of employees increased from R54.5 million in 2015/16 to R63.7 million in 2017/18. The filling of posts and the salary adjustments cause an increase to R68.7 million in 2018/19. The budget increases to R68.9 million in 2019/20 to fund the personnel requirements.

Expenditure on goods and services increased from R37.9 million in 2015/16 to R54.9 million in 2017/18. Expenditure in 2017/18 includes the costs of the provincial mental health care arbitration process and the expenditure of the business units transferred from the Department of e-Government. The main budget of R86.1 million in 2018/19 includes the funds reserved to pay the claims for the mental health care users. Since the payment of the mental health care claims takes place under transfers to households, the budget for goods and services reduces to R46.4 million during the adjustments budget process in 2018/19. The budget increases from R37.7 million in 2019/20 to R54.5 million in 2021/22 to cater for the requirements of the programme over the MTEF.

The expenditure on transfers to households amounted to R288 000 and R144 000 in 2016/17 and 2017/18, respectively, to pay leave gratuity to former employees and to pay injury on duty claims. The budget of R155.7 million is allocated during the adjustments budget process in 2018/19 to provide for the mental health care claims. The budget amounts to R300 000 and R150 000 in 2019/20 and 2020/21 to provide for the additional mental health care claims.

Machinery and equipment expenditure and budget cater for the centralised items such as the lease of Government Garage vehicles, procurement of office furniture and other capital items. The expenditure increased from R8.6 million in 2015/16 to R10.1 million in 2017/18. The budget increases from R6.7 million to R7.6 million during the 2018/19 adjustments budget process to fund the purchase of office equipment for staff. The budget decreases from R7.8 million in 2019/20 to R4.7 million over the MTEF.

PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

Programme description

The Institutional Development Programme is responsible for leading, facilitating, coordinating and supporting a skilled, ethical and performance oriented GCR; ICT leadership and guidance across the GPG; ICT related auxiliary support to the OoP towards modernising the public service; support to the Premier and EXCO with legal advice and support; and promoting and facilitating effective communication between government and the people of Gauteng.

Programme objectives

- A high-performance culture across the GPG;
- ICT governance maturity improved across the OoP;
- Effective legal support contributing to a more resilient provincial litigation response capability;
- An informed, empowered public, and a responsive government;
- Promoting and facilitating effective communication between government and the people of Gauteng; and
- Resolved service delivery issues by engaging communities through different communication channels.

TABLE 1.8: SUMMARY OF PAYMENTS AND ESTIMATES: INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Strategic Human Resources	67 584	70 943	78 436	85 225	87 539	87 009	108 393	103 260	108 941
2. Information Communication	12 062	15 270	20 336	12 783	15 022	15 023	13 901	15 413	16 261
3. Legal Services	9 807	10 041	14 641	13 129	14 329	14 751	15 299	15 012	15 838
4. Communication Services	83 233	72 408	71 869	85 921	89 390	88 701	84 087	91 907	96 963
5. Programme Support	1 629	1 737	1 828	2 210	2 210	2 210	2 158	2 218	2 340
6. Service Delivery Intervention	34 527	38 840	40 047	45 870	45 551	45 551	52 483	63 020	66 485
Total payments and estimates	208 842	209 239	227 157	245 138	254 041	253 245	276 321	290 830	306 828

TABLE 1.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	203 892	205 959	222 952	241 943	246 671	247 366	274 661	287 267	303 069
Compensation of employees	128 542	136 191	150 011	161 844	161 843	161 551	191 878	203 732	214 937
Goods and services	75 350	69 768	72 941	80 099	84 828	85 815	82 783	83 535	88 132
Transfers and subsidies to:	122	495	768		1 363	1 376			
Departmental agencies and accounts									
Non-profit institutions									
Households	122	495	768		1 363	1 376			
Payments for capital assets	4 828	2 785	3 437	3 195	6 007	4 503	1 660	3 563	3 759
Buildings and other fixed structures									
Machinery and equipment	4 828	2 785	3 437	3 195	6 007	4 503	1 660	3 563	3 759
Software and other intangible assets									
Payments for financial assets									
Total economic classification	208 842	209 239	227 157	245 138	254 041	253 245	276 321	290 830	306 828

The programme expenditure increased from R208.8 million in 2015/16 to R227.2 million in 2017/18 due to a reallocation of two transversal HR units from the Department of e-Government to the OoP. In 2018/19, the main budget of R245.1 million increased to R254 million during the adjustments budget process to fund the unforeseen state funeral expenses and to fund the provision of occupational health and safety training to staff members. The budget increases from R276.3 million in 2019/20 to R306.8 million to fund the delivery of outputs over the MTEF.

The main cost drivers in this programme over the MTEF is the Strategic Human Resources that is responsible for facilitating, co-ordinating, monitoring and promoting strategic human resources and development within provincial government. Then follows the Provincial Communication Services and Service Delivery Intervention that focuses on a day to day business in the province as well as service delivery required to support the entire GPG and 13 per cent of the programme budget has been allocated to Legal services, IT support and Programme support.

Expenditure on compensation of employees increased from R128.5 million in 2015/16 to R150 million in 2017/18 due to migration of functions from the Department of e-Government to the OoP to streamline service delivery functions in the Province. The budget for compensation of employees increases from R161.8 million in 2018/19 to R214.9 million in 2021/22. The budget provides for the cost of living adjustments, pay progression, and other benefits such as performance bonuses and service bonus. The budget also provides for the personnel requirements in line with the approved new staff establishment and the new wage agreement over the MTEF.

Goods and services expenditure increased from R75.3 million in 2015/16 to R72.9 million in 2017/18. This expenditure included state funerals expenses and the activities such as the stakeholder engagements. The main budget for goods and services amounts to R80.1 million in 2018/19 and it provides for costs such as communication, hosting of service delivery events and campaigns, and professional internal legal support. This 2018/19 main budget increased by R4.7 million during the adjustments budget process to fund the costs of state funerals declared in the province during the financial year. Allocation over the MTEF is mainly to ensure continuous implementation of the programme's function.

Expenditure on transfers to households caters for leave gratuity, injury on duty and exit packages for employees who left the department and exit the public services. The expenditure increased from R122 000 to R768 000 during the first three years under review. The adjusted budget of R1.4 in 2018/19 provides for expenditure incurred for leave gratuity and injury on duty claims.

Expenditure on machinery and equipment started from R4.8 million in 2015/16 due to the procurement of IT equipment based on a three-year obsolescence model. It then reduced to R3.4 million in 2017/18 to fund the planned replacement of old office computers and the procurement of the software. The capital budget increases from R3.2 million to R6 million during the adjustments budget process in 2018/19 to fund the costs of purchasing new computer equipment after the fire incident at the 30 Simmonds Street building. The budget in the outer year provides for the replacement and acquisition of computers and other working tools in line with their lifespan.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INSTITUTIONAL DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
INDICATOR				
Strategic Human Resources				
Number of assessments on implementation of TMR Master Skills Plan (MSP)	HRD Strategy and Implementation Plan aligned to MSP approved	2	2	2
Number of assessments on the implementation of approved GPG Performance Management and Development Framework (PMDF)	2	2	2	2
Number of assessments on the implementation of the framework for financial and non-financial rewards across the province	2	2	2	2
Percentage compliance on performance contracts for all SMS members finalised across the GPG	1	1	1	1
Percentage of disciplinary cases resolved within 90 days from awareness at SMS (Level 13-16)	1	1	1	1
Percentage of disciplinary cases resolved within 90 days from awareness at below SMS (Level 01-12)	1	1	1	1
Number of interventions implemented to assist departments in achieving EE targets	New indicator	6	6	6
Number of interventions to address the top GPG risk trends across EHWP pillars	6	7	8	8

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of assessment reports on the HR Capacity of the 14 GPG Departments produced	2	4	4	4
Information and Communication Technology				
Average percentage systems uptime maintained across the OoP	1	1	1	1
Legal Services				
Number of analysis reports on Provincial litigation liability focussing on progress in the resolution of cases	2	2	2	2
Annual Legislative Programme tabled at EXCO in Q1	1 Legislative Programme tabled	Annual Legislative Programme tabled at EXCO in Q1	Annual Legislative Programme tabled at EXCO in Q1	Annual Legislative Programme tabled at EXCO in Q1
Percentage of strategic legal advice and support provided within 20 working days of request	Strategic legal advice and support provided to the Premier, EXCO, LGB, PCF and Departments when required within 20 working days	1	1	1
Communication Services				
Number of assessments on the level of Implementation of the GCR-wide Communication Programme aligned to GPG Provincial Communications Framework	4	4	4	4
Percentage of people who feel meaningfully engaged with government	1	1	1	1
Percentage of people who are aware of government policies and programmes		1	1	1
Percentage of people who feel that government is responsive	1	1	1	1
Number of monthly reports on the analysis of media coverage	12	12	12	12
Service Delivery Interventions Office				
Number of working days to respond to escalated or received cases	60	45	45	45
Number of Ntirhisano War Room structures assessed at Metro, District and Local Level	Approved War Room Functionality Framework Matrix for assessment of functionality finalised. 70 of the 487 War Room Structures assessed for functionality, with recommendations improvements	210 of the 487 War Room Structures assessed for functionality, with recommendations for improvements	350 of the 487 War Room Structures assessed for functionality, with recommendations for improvements	350 of the 487 War Room Structures assessed for functionality, with recommendations for improvements

PROGRAMME 3: POLICY & GOVERNANCE

Programme description

The purpose of the Policy and Governance Programme is to support the Premier and EXCO with policy advice, research support, international and inter-governmental relations, integrated cooperative governance, and effective management of the Executive Council Cluster System. The programme drives the province-wide outcomes-based planning, performance monitoring and evaluation to improve government performance towards enhanced service delivery and GCR development impacts/outcomes. The programme is responsible for developing, implementing and monitoring the customer-centric service-delivery response system across the GRC. It is also responsible for leading the planning for sustainable development in the Gauteng City Region. It is responsible for leading, facilitating, coordinating and supporting the active advancement of gender equality, women's empowerment, youth development and the rights of people with disabilities, older persons and military veterans. It is also responsible for leading, facilitating, coordinating and supporting the implementation of the Integrity Management Programme in the GCR.

Programme objectives

- Effective coordination and management of the Executive Council Cluster System;
- An integrated policy and planning regime for the Gauteng City Region;
- Improved service delivery in key priority areas through ongoing monitoring and reporting;
- A public service driven by integrity and ethics;
- Realisation of the rights and qualitative equity of target groups across the GCR;
- Advancing gender equality, women's empowerment, youth development and the rights of people with disability, older persons and military veterans and promoting socio-economic inclusion;
- Effective governance and administration supported through improved outcomes-based planning, monitoring and evaluation;
- Forging strategic partnerships that advance the national and provincial development agenda both locally and internationally;
- Regional and international partnerships that enhance the achievement of the GCR and TMR agenda; and
- Intergovernmental relations that support cooperative governance in the GCR.

TABLE 1.10: SUMMARY OF PAYMENTS AND ESTIMATES: POLICY & GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Inter-Governmental Relations	15 493	17 563	19 876	42 385	36 948	36 943	32 552	42 089	44 403
2. Provincial Policy Management	90 367	133 872	225 454	251 148	267 464	267 464	269 311	284 539	305 655
3. Programme Support	1 933	2 004	2 041	2 497	2 497	2 502	3 610	2 154	2 273
Total payments and estimates	107 793	153 439	247 371	296 030	306 909	306 909	305 473	328 782	352 331

TABLE 1.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: POLICY & GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	88 759	132 935	227 325	274 084	281 573	281 573	277 991	304 682	326 930
Compensation of employees	52 702	61 348	67 619	76 563	76 563	76 563	80 390	84 103	90 729
Goods and services	36 057	71 587	159 706	197 521	205 010	205 010	197 601	220 579	236 201
Transfers and subsidies to:	19 034	19 213	20 046	21 306	25 336	25 336	26 542	23 782	25 066
Provinces and municipalities	500								
Higher education institutions	18 505	19 000	19 950	21 306	25 306	25 306	26 542	23 782	25 066
Non-profit institutions									
Households	29	213	96		30	30			
Payments for capital assets		1 291		640			940	318	335

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Buildings and other fixed structures									
Machinery and equipment		1 291		640			940	318	335
Software and other intangible assets									
Payments for financial assets									
Total economic classification	107 793	153 439	247 371	296 030	306 909	306 909	305 473	328 782	352 331

The expenditure for programme increased from R107.8 million in 2015/16 to R247.4 million in 2017/18. This expenditure related to the department's initiatives to improve the service delivery in the province during the current term of government. This includes Tshepo 1 Million Programme taken over from DID and establishment of the Delivery Support Unit. In 2018/19, the budget increases from R296 million to R306.9 million during the adjustments budget process. The increase during the adjustments budget process includes R4 million for undertaking the research projects on behalf of the Department of Economic Development and R10 million for the GPG's contribution towards co-hosting the Africa Investment Forum in Gauteng. Over the MTEF, the budget increases from R305.5 million in 2019/20 to R352.3 million in 2021/22.

Expenditure on compensation of employees increased from R52.7 million in 2015/16 to R67.6 million in 2017/18 and it catered for personnel requirements of the Performance Monitoring and Evaluation function that migrated from the GPT in 2015/16. Furthermore, the establishment of Deliverology Support Unit in the 2016/17 financial year and the requirements of other business units as per the new organisational structure resulted in growth of compensation of employees. The budget of R76.5 million in 2018/19 caters for personnel requirements of the programme. Over the MTEF, the budget increases from R80.3 million in 2019/20 to R90.7 million in 2021/22 to cater for the wage agreement in respect of cost of living adjustments.

Expenditure on goods and services increased from R36.1 million in 2015/16 to R159.7 million in 2017/18 mainly due to funds spent on Tshepo 1 Million Programme and the research project regarding the development of land use scheme and spatial development policies in all municipalities across Gauteng. In 2018/19, the budget increases from R197.5 million to R205 million during the adjustments budget process to fund the costs of hosting the Africa Investment Forum. The expenditure and budget for goods and services includes funds for Tshepo 1 Million Programme following the reclassification of the Tshepo Programme from transfers to goods and services in terms of National Treasury circular 21/2018. Over the MTEF, the budget increases from R197.6 million in 2019/20 to R236.2 million in 2021/22 to provide for the requirements of the Deliverology Support Unit; Tshepo 1 Million Programme; development of the Enterprise GIS; drafting of municipal land use schemes; and the high-profile IGR programme, Integrity management and GEYODI projects across the Province.

The transfers and subsidies expenditure increased from R18 million in 2015/16 to R19.9 million in 2017/18 to increase the research capacity in the province that would support the consultation of the current administration with the public. The GCRO collaborated with the institutions of higher education in the Province to carry out research projects. The reallocation of R4 million from the Department of Economic Development to fund the research projects during the adjustments budget process causes the budget increase from R21.3 million to R25.3 million in 2018/19. Over the MTEF period, the budget for transfers amounts to R26.5 million in 2019/20, which includes R4 million for continuing the research projects for the Department of Economic Development. The budget amounting to R23.8 million in 2020/21 and R25 million in 2021/22 provides for carrying out other research projects commissioned by the Office of the Premier.

SERVICE DELIVERY MEASURES

PROGRAMME 3: POLICY AND GOVERNANCE

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
INDICATORS				
Number of military veterans accessing socio-economic opportunities	1 000	1 500	2 000	2 000
Number of Commemorative Days facilitated	6	6	6	6
Number of assessments on level of alignment of GEYODI & MVO Policies with Sector policies, Departmental Strategic plans, budget & programmes	4 Quarterly assessments	4 Quarterly assessments	4 Quarterly assessments	4 Quarterly assessments
Pillar 1 : Number of economically excluded young people accessing training and skills development linked to verifiable market demand	80 000	28 000	20 000	20 000

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Pillar 2 : Number of economically excluded young people accessing paid work done on a temporary basis aimed at developing work experience and/or sector specific skills	80 000	36 000	20 000	20 000
Pillar 3 : Number of economically excluded young people accessing paid work on a long-term, full-time contract at or above sectoral minimum for full time work in the sector in question, preferably permanent	4 000	15 000	20 000	20 000
Pillar 4 : Number of economically excluded young people enabled and assisted to establish and operate a new enterprise/ franchise	1 000	4 000	5 000	5 000
Percentage submission of Senior Manager disclosures across the Gauteng Government	1	1	1	1
Percentage of corruption cases resolved across the GPG	1	1	1	1
Number of structured international relations engagements coordinated to promote the TMR and African Agenda	4	4	4	4
Number of consolidated reports on resolutions impacting on the province from Inter-governmental Relations meetings	2	2	2	2
Number of Executive Council meeting decision matrices developed	4 Quarterly EXCO meetings	4 Quarterly EXCO meetings	4 Quarterly EXCO meetings	4 Quarterly EXCO meetings
Multi-year assessment of the Gauteng Spatial Development Framework (GSDF) 2030	3 provincial plans assessed for alignment with the approved GSDF 2030	Consolidated GSDF 2030 Implementation Assessment developed	GSDF as a concept for GSDF 2030 review approved	GSDF as a concept for GSDF 2030 review approved
Number of reports on the implementation of the GIIMP	4 Quarterly reports on implementation of the GIIMP submitted to EXCO	4 Quarterly reports on implementation of the GIIMP submitted to the Head of Planning Division for approval	4 GCR IIMP Priority Project Plans assessed against Gerentially Accepted Project Management Principles	4 GCR IIMP Priority Project Plans assessed against Gerentially Accepted Project Management Principles
Number of key community-wide service delivery concerns tracked for progress	100	100	100	100
Number of consolidated analysis reports on implementation of MPAT KPA 1 improvement plan completed for all departments	2 consolidated analysis reports on implementation of MPAT KPA 1 improvement plan completed	2 consolidated analysis reports on implementation of MPAT KPA 1 improvement plan completed	2 consolidated analysis reports on implementation of MPAT KPA 1 improvement plan completed	2 consolidated analysis reports on implementation of MPAT KPA 1 improvement plan completed
Level of development of revised Gauteng SPPME Framework	Development of revised GPG SPPME Framework commissioned	Revised GPG SPPME Framework completed		
Number of analysis reports completed on alignment of GPG departments' plans to TMR priorities and framework on strategic plans and annual performance plans		2 analysis reports of 2019/20 APP alignment to TMR priorities	2 analysis reports of 2019/20 APP alignment to TMR priorities	2 analysis reports of 2019/20 APP alignment to TMR priorities
Provincial Evaluation Plan developed for the following year	1	1	1	1
Number of evaluation studies undertaken	3	3	3	3
Number of Executive Council meeting decision matrices developed	4 Quarterly Executive Council meeting decision matrices developed	4 Quarterly Executive Council meeting decision matrices developed	4 Quarterly Executive Council meeting decision matrices developed	4 Quarterly Executive Council meeting decision matrices developed
Progress in the roll out of the GCR Electronic Land Use Application (e-Application) System	New	GCR Electronic Land Use Application (e-Application) System developed	GCR Electronic Land Use Application (e-Application) System piloted	GCR Electronic Land Use Application (e-Application) System piloted
Percentage of officials found doing business with organs of state disciplined	1	1	1	1
Percentage of officials found guilty of fraud, corruption and unethical behaviour receiving commensurate sanctions	1	1	1	1
GCR spatial planning response to the "New Urban Agenda" (UN Habitat)	New	GCR New Urban Agenda Implementation Programme approved		

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 1.12: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COST BY COMPONENT

R thousands	Actual						Revised estimate			Medium-term expenditure estimate				Average annual growth over MTEF						
	2015/16		2016/17		2017/18		2018/19			2019/20		2020/21		2021/22		2018/19 - 2021/22				
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total			
Salary level																				
1 – 6	58	11 810	92	50 695	85	51 695	89	(24)	65	11 347	54	14 847	54	17 080	54	19 442	(6.0%)	19.7%	4.7%	
7 – 10	295	99 893	289	111 561	308	116 678	288	22	310	131 070	319	144 839	323	150 982	323	159 879	1.4%	6.8%	43.3%	
11 – 12	70	46 692	68	29 901	80	34 901	70	21	91	72 517	98	79 156	106	80 621	106	84 595	5.2%	5.3%	23.3%	
13 – 16	74	73 634	52	69 635	64	78 070	65	17	82	92 154	86	102 422	84	97 352	84	103 334	0.8%	3.9%	28.7%	
Other	1																			
Total	498	232 029	501	261 792	537	281 344	512	36	548	307 088	557	341 264	567	346 035	567	367 250	1.1%	6.1%	100.0%	
Programme																				
1. Administration	114	54 494	114	59 370	107	63 714	114	(4)	110	68 974	110	68 996	114	58 200	114	61 584	1.2%	(3.7%)	18.5%	
2. Institutional Development	319	128 542	294	136 191	352	150 011	297	40	337	161 551	348	191 878	350	203 732	350	214 937	1.3%	10.0%	56.9%	
3. Policy & Governance	65	52 702	93	61 348	78	67 619	101		101	76 563	99	80 390	103	84 103	103	90 729	0.7%	5.8%	24.6%	
Direct charges																				
Total	498	235 738	501	256 909	537	281 344	512	36	548	307 088	557	341 264	567	346 035	567	367 250	1.1%	6.1%	100.0%	

The above table reflects personnel estimates for the OoP, per programme. The personnel headcount increased from 498 in 2015/16 to 501 in 2016/17 while expenditure grew from R235.7 million to R256.9 million over the same period due to organisational structure changes; thus reflecting a correlation. The total headcount increased from 501 as at March 2017 to 532 as at March 2018 due to expansion of the organisational structure. The headcount increases from 548 in 2018/19 to 567 in 2020/21 driven by implementation of the new approved organisational structure. The estimate of compensation of employees is R307.1 million in 2018/19. The budget for compensation of employees is set at R367.2 million in 2021/22 to support 567 headcounts.

The programme with the highest number of personnel over the MTEF is Programme 2: Institutional Development with 348 posts in 2019/20 and 350 posts in 2020/21. Programme 1: Administration follows with 110 posts in 2019/20 and 114 posts in 2021/22. Programme 3: Policy and Governance with 99 posts in 2019/20 and 103 posts in 2021/22 has the lowest headcount in the Office of the Premier.

9.2 Training

TABLE 1.13 INFORMATION ON TRAINING: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	498	501	537	548	548	548	557	567	567
Number of personnel trained	160	207	240	240	240	240	340	340	340
of which									
Male	60	82	100	100	100	100	120	120	120
Female	100	125	140	140	140	140	220	220	220
Number of training opportunities	245	160	168	178	178	178	200	200	200
of which									
Tertiary	45	55	58	61	61	61	71	71	71
Workshops	7	9	9	10	10	10	15	15	15
Seminars									
Other	193	96	101	107	107	107	114	114	114
Number of bursaries offered	40	55	60	65	65	65	69	69	69
Number of interns appointed	35	40	45	47	47	47	45	45	45
Number of learnerships appointed		2	4	6	6	6		4	4
Number of days spent on training	240	255	268	283	283	283	290	290	290
Payments on training by programme									
1. Administration									
2. Institutional Development	2 075	2 721	1 523	2 605	3 303	3 647	2 241	2 365	2 496
3. Policy & Governance									
Total payments on training	2 075	2 721	1 523	2 605	3 303	3 647	2 241	2 365	2 496

Departmental training per programme provides actual and estimated expenditure on training for the period 2015/16 to 2021/22. The legislation and the public service regulations require government departments to set aside a minimum of 1.5 per cent of the compensation budget for staff training. The Internal Human Resources Development centrally manages and compiles a departmental training plan with specific developmental areas for each unit and officials.

The number of staff members trained increases from 2 075 in 2015/16 to 2 721 in 2016/17 subsequently dropped to 1 523 due to the lower need of training activities. Over the MTEF, on average 54 employees per annum on salary level 1 to 6 will receive training. The salary levels 1-6 and 7-10 accommodate 54 & 323 employees, whereas the remaining levels are 11-12 and 13-16

that accommodate 106 and 84 employees respectively over the MTEF. This is crucial, as fundamental literacy and capacity are required at the entry levels.

The department's expenditure on training shows an increase from R1.4 million in 2015/16 to R1.5 million in 2017/18. The subsequent expenditure increases in 2018/19 to R2.6 million due to the increase in transversal training. However, there is a slight decrease to R2.4 million in 2021/22 due to completion of some transversal training

9.3 Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 1.14: SPECIFICATION OF RECEIPTS: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Casino taxes									
Motor vehicle licences									
Sales of goods and services other than capital assets	315	448	411	330	330	330	348	367	387
Sale of goods and services produced by department (excluding capital assets)	315	448	411	330	330	330	348	367	387
Sales by market establishments	315	448	411	330	330	330	348	367	387
Administrative fees									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Other governmental units									
Fines, penalties and forfeits									
Interest, dividends and rent on land	3	4	3	10	10	10	11	12	13
Interest	3	4	3	10	10	10	11	12	13
Sales of capital assets	1								
Land and sub-soil assets	1								
Transactions in financial assets and liabilities	148	101	221	189	189	189	199	210	222
Total departmental receipts	467	553	635	529	529	529	558	589	622

TABLE 1.15: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE PREMIER

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	385 087	436 422	568 857	670 825	643 298	643 298	659 361	701 861	746 137
Compensation of employees	235 738	256 909	281 344	307 088	307 088	307 088	341 264	346 035	367 250
Salaries and wages	206 114	227 692	250 739	274 028	274 028	273 412	307 001	309 888	329 116
Social contributions	29 624	29 217	30 605	33 060	33 060	33 676	34 263	36 147	38 134
Goods and services	149 349	179 513	287 513	363 737	336 210	336 210	318 097	355 826	378 887
Administrative fees	124	170	423	166	425	505	286	240	253
Advertising	31 710	30 512	28 328	29 559	31 181	31 666	26 470	26 724	28 193
Minor assets	585	1 631	1 775	2 196	1 383	505	1 015	2 432	2 566
Audit cost: External	3 136	2 145	4 195	6 847	7 109	6 747	7 701	11 507	12 140
Bursaries: Employees	1 126	1 183	1 972	1 461	1 461	526	2 000	827	872
Catering: Departmental activities	5 370	3 490	3 242	7 758	6 986	7 216	8 584	11 238	11 855
Communication (G&S)	8 174	7 265	8 119	4 667	5 323	7 696	7 860	7 444	7 853
Computer services	1 943	11 635	17 791	17 350	14 049	13 616	16 129	20 370	21 490
Consultants and professional	19 458	31 910	137 694	160 816	149 737	147 912	164 213	172 962	185 969

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
services:									
Business and advisory services									
Legal services	1 321	909	7 397	44 314	7 842	8 831	2 370	2 223	2 346
Contractors	2 878	4 594	6 720	9 803	20 247	21 418	13 803	11 154	11 767
Agency and support / outsourced services	766	25 209	3 761		4 684	5 875	500	82	87
Entertainment	27								
Fleet services (including government motor transport)	3 136	2 966	2 804	3 491	3 941	2 732	3 225	3 942	4 159
Consumable supplies	3 018	1 852	1 355	1 865	3 704	4 190	1 852	2 439	2 573
Consumable: Stationery, printing and office supplies	19 333	5 359	6 411	4 267	6 380	6 570	6 500	4 548	4 798
Operating leases	6 343	6 208	3 356	3 661	3 418	3 418	3 660	4 812	5 077
Property payments	12 266	12 008	6 312	7 956	8 987	10 384	7 460	9 204	9 710
Transport provided: Departmental activity	1 914	1 635	2 080	3 870	4 070	4 826	2 560	4 772	5 034
Travel and subsistence	11 075	6 487	10 525	17 123	10 339	9 363	11 378	17 663	18 633
Training and development	1 434	2 721	1 523	2 605	3 303	3 647	4 836	2 365	2 496
Operating payments	435	7 725	8 060	13 242	10 572	7 499	11 182	16 930	17 860
Venues and facilities	13 776	11 899	23 670	20 720	31 069	31 068	14 513	21 948	23 156
Rental and hiring	1								
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	19 156	19 996	20 958	21 306	182 432	187 439	326 542	173 782	26 889
Provinces and municipalities	500								
Municipalities	500								
Municipalities	500								
Departmental agencies and accounts									
Provide list of entities receiving transfers									
Higher education institutions	18 505	19 000	19 950	21 306	25 306	25 306	26 542	23 782	25 066
Non-profit institutions									
Households	151	996	1 008		157 126	162 133	300 000	150 000	1 823
Social benefits	151	841	1 008		216	296			
Other transfers to households		155			156 910	161 837	300 000	150 000	1 823
Payments for capital assets	13 445	13 898	13 555	10 563	13 648	12 936	10 368	8 341	8 800
Machinery and equipment	13 445	13 836	13 555	10 563	13 648	12 936	10 368	8 341	8 800
Transport equipment	6 364	8 046	7 677	4 918	4 918	6 125	6 118	4 460	4 706
Other machinery and equipment	7 081	5 790	5 878	5 645	8 730	6 811	4 250	3 881	4 094
Software and other intangible assets		62							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets	1	10	3 883						
Total economic classification	417 689	470 326	607 253	702 694	839 378	843 673	996 271	883 984	781 826

TABLE 1.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	203 892	205 959	222 952	241 943	246 671	247 366	274 661	287 267	303 069
Compensation of employees	128 542	136 191	150 011	161 844	161 843	161 551	191 878	203 732	214 937
Salaries and wages	111 216	119 170	131 987	145 841	145 840	144 388	172 690	183 359	193 444
Social contributions	17 326	17 021	18 024	16 003	16 003	17 163	19 188	20 373	21 493
Goods and services	75 350	69 768	72 941	80 099	84 828	85 815	82 783	83 535	88 132
Administrative fees	1		27	50	239	319	50	13	14
Advertising	30 511	29 545	27 001	26 970	28 147	28 632	25 440	23 021	24 287
Minor assets	127	307	35	158	158	96	290	461	487
Bursaries: Employees	1 126	1 183	1 972	1 461	1 461	526	2 000	827	872
Catering: Departmental activities	2 712	1 618	741	2 279	1 596	1 837	3 261	5 370	5 665
Communication (G&S)	4 158	3 673	4 989	2 454	2 954	5 086	4 754	2 928	3 089
Computer services	674	4 190	8 763	6 594	5 156	4 794	5 254	7 553	7 969
Consultants and professional services: Business and advisory services	1 292	4 100	3 382	9 424	7 881	7 248	7 727	10 242	10 806
Legal services	1 321	909	3 189	1 680	2 941	3 929	2 370	1 417	1 495
Contractors	1 635	1 991	1 373	4 394	4 478	3 061	6 801	4 646	4 901
Agency and support / outsourced services	711	6	3 744		4 684	5 806			
Consumable supplies	1 370	101	107	259	969	1 023	321	609	643
Consumable: Stationery, printing and office supplies	16 717	2 194	390	663	484	584	775	835	881
Operating leases	34	1 865							
Property payments	5 098	4 128	1 875	2 484	2 884	3 866	2 268	2 222	2 344
Transport provided: Departmental activity	533	774	702	1 250	1 461	2 217	1 250	944	996
Travel and subsistence	633	547	537	1 076	1 325	1 781	1 300	1 958	2 066
Training and development	1 189	1 948	1 523	1 955	2 097	2 170	3 256	2 058	2 172
Operating payments	60	7 588	7 645	11 177	8 700	5 627	10 134	15 013	15 839
Venues and facilities	5 447	3 101	4 946	5 771	7 213	7 213	5 532	3 418	3 606
Rental and hiring	1								
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	122	495	768		1 363	1 376			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Departmental agencies and accounts									
Provide list of entities receiving transfers									
Households	122	495	768		1 363	1 376			
Social benefits	122	495	768		186	199			
Other transfers to households					1 177	1 177			
Payments for capital assets	4 828	2 785	3 437	3 195	6 007	4 503	1 660	3 563	3 759
Machinery and equipment	4 828	2 785	3 437	3 195	6 007	4 503	1 660	3 563	3 759
Transport equipment									
Other machinery and equipment	4 828	2 785	3 437	3 195	6 007	4 503	1 660	3 563	3 759
Payments for financial assets									
Total economic classification	208 842	209 239	227 157	245 138	254 041	253 245	276 321	290 830	306 828

TABLE 1.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	203 892	205 959	222 952	241 943	246 671	247 366	274 661	287 267	303 069
Compensation of employees	128 542	136 191	150 011	161 844	161 843	161 551	191 878	203 732	214 937
Salaries and wages	111 216	119 170	131 987	145 841	145 840	144 388	172 690	183 359	193 444
Social contributions	17 326	17 021	18 024	16 003	16 003	17 163	19 188	20 373	21 493
Goods and services	75 350	69 768	72 941	80 099	84 828	85 815	82 783	83 535	88 132
Administrative fees	1		27	50	239	319	50	13	14
Advertising	30 511	29 545	27 001	26 970	28 147	28 632	25 440	23 021	24 287
Minor assets	127	307	35	158	158	96	290	461	487
Bursaries: Employees	1 126	1 183	1 972	1 461	1 461	526	2 000	827	872
Catering: Departmental activities	2 712	1 618	741	2 279	1 596	1 837	3 261	5 370	5 665
Communication (G&S)	4 158	3 673	4 989	2 454	2 954	5 086	4 754	2 928	3 089
Computer services	674	4 190	8 763	6 594	5 156	4 794	5 254	7 553	7 969
Consultants and professional services: Business and advisory services	1 292	4 100	3 382	9 424	7 881	7 248	7 727	10 242	10 806
Legal services	1 321	909	3 189	1 680	2 941	3 929	2 370	1 417	1 495
Contractors	1 635	1 991	1 373	4 394	4 478	3 061	6 801	4 646	4 901
Agency and support / outsourced services	711	6	3 744		4 684	5 806			
Fleet services (including government motor transport)									
Inventory: Fuel, oil and gas									
Consumable supplies	1 370	101	107	259	969	1 023	321	609	643
Consumable: Stationery, printin	16 717	2 194	390	663	484	584	775	835	881

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
g and office supplies									
Operating leases	34	1 865							
Property payments	5 098	4 128	1 875	2 484	2 884	3 866	2 268	2 222	2 344
Transport provided: Departmental activity	533	774	702	1 250	1 461	2 217	1 250	944	996
Travel and subsistence	633	547	537	1 076	1 325	1 781	1 300	1 958	2 066
Training and development	1 189	1 948	1 523	1 955	2 097	2 170	3 256	2 058	2 172
Operating payments	60	7 588	7 645	11 177	8 700	5 627	10 134	15 013	15 839
Venues and facilities	5 447	3 101	4 946	5 771	7 213	7 213	5 532	3 418	3 606
Rental and hiring	1								
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	122	495	768		1 363	1 376			
Departmental agencies and accounts									
Provide list of entities receiving transfers									
Households	122	495	768		1 363	1 376			
Social benefits	122	495	768		186	199			
Other transfers to households					1 177	1 177			
Payments for capital assets	4 828	2 785	3 437	3 195	6 007	4 503	1 660	3 563	3 759
Machinery and equipment	4 828	2 785	3 437	3 195	6 007	4 503	1 660	3 563	3 759
Transport equipment									
Other machinery and equipment	4 828	2 785	3 437	3 195	6 007	4 503	1 660	3 563	3 759
Payments for financial assets									
Total economic classification	208 842	209 239	227 157	245 138	254 041	253 245	276 321	290 830	306 828

TABLE 1.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: POLICY & GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	316 519	369 180	389 829	445 367	471 596	446 603	488 886	501 945	540 062
Compensation of employees	247 479	275 335	291 523	319 895	319 895	309 902	341 648	363 855	393 691
Salaries and wages	212 017	237 604	252 278	278 756	278 756	269 357	295 971	315 772	341 162
Social contributions	35 462	37 731	39 245	41 139	41 139	40 545	45 677	48 083	52 529
Goods and services	69 040	93 845	98 306	125 472	151 701	136 701	147 238	138 090	146 371
Administrative fees	328	278	368	915	915	723	1 377	1 134	1 197
Advertising	7 343	14 062	5 615	4 150	10 050	7 979	4 795	4 368	4 608
Minor assets	278	775	1 831	876	876	833	1 080	2 431	2 565
Audit cost: External	2 966	2 627	2 996	3 000	3 500	3 251	4 000	4 169	4 398
Bursaries: Employees	264	597	850	464	524	524	1 735	1 767	1 864

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Catering: Departmental activities	3 839	2 622	1 319	1 868	1 868	1 711	1 228	1 680	1 773
Communication (G&S)	10 419	7 671	8 372	11 800	11 800	8 471	10 287	10 697	11 285
Computer services	661	5 658	8 328	5 473	4 473	6 732	9 769	10 637	11 235
Consultants and professional services: Business and advisory services	396	722	6 721	27 554	16 014	16 299	14 868	15 763	16 630
Legal services	245	3 245	691	1 065	1 325	920	1 495	1 572	1 658
Contractors	413	205	164	300	250	230	400	414	437
Agency and support / outsourced services	10 968	8 752	8 314	15 416	34 289	28 683	36 035	21 660	22 839
Entertainment	165			10					
Fleet services (including government motor transport)	6 069	8 304	7 583	6 720	6 720	6 832	9 800	10 061	10 614
Inventory: Materials and supplies	22								
Inventory: Other supplies		1 788							
Consumable supplies	6 175	14 156	15 718	5 285	4 535	4 915	6 280	6 840	7 216
Consumable: Stationery, printing and office supplies	3 393	4 669	2 666	3 341	2 341	2 341	3 811	4 009	4 229
Operating leases	148	383	840	834	834	753	1 373	1 321	1 394
Property payments	1 145	1 095	6 606	7 774	21 171	21 350	7 870	6 797	7 862
Travel and subsistence	5 241	5 699	6 186	7 096	6 687	5 490	8 337	9 181	9 680
Training and development	2 924	3 207	4 227	12 035	9 313	4 761	11 649	11 560	12 196
Operating payments	653	551	1 577	2 752	7 372	7 274	2 175	2 803	2 958
Venues and facilities	4 985	6 779	7 334	6 744	6 844	6 629	8 874	9 226	9 733
Transfers and subsidies	50 659	50 861	26 231	8 746	50 713	65 713	53 104	3 310	3 492
Provinces and municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Households	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Social benefits	1 606	1 248		32	32	32	34	36	38
Other transfers to households	65		1 095	1 714	1 181	1 181	1 066	1 164	1 228
Payments for capital assets	1 170	35 769	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Buildings and other fixed structures		31 600							
Buildings		31 600							
Machinery and equipment	1 170	4 169	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Other machinery and equipment	1 170	4 169	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Software and other intangible assets									
Payments for financial assets	503	66	64		32	32			
Total economic classification	368 851	455 876	432 917	468 235	533 235	523 242	562 282	526 662	565 980

VOTE 2

GAUTENG PROVINCIAL LEGISLATURE

To be appropriated by vote in 2019/20	R 761 430 000
Responsible Executing Authority	Speaker
Administering Department	Gauteng Provincial Legislature
Accounting Officer	Secretary to the Gauteng Provincial Legislature

1. OVERVIEW

Vision

A modern and transformative legislature that fosters public pride and confidence in democracy and enhances service delivery to the people of Gauteng.

Mission

In observing our constitutional obligations, Gauteng Provincial Legislature (GPL):

- Is a modern and dynamic African legislature of the 21st Century;
- Is a caring, responsive, activist and transformative legislature;
- Reflects the values, aspirations and cultures of the South African people;
- Is the most competent, accessible, transparent and accountable legislature;
- Fosters ethical and good governance;
- Attracts, develops, and retains skilled and professional staff; and
- Recognises staff contributions, rewards their achievements and provides a stimulating environment.

Strategic goals

To be a responsive legislature that fosters public confidence.

Strategic objectives

- Improved accountability by the Executive Council of the Province (“Executive) to the legislature in respect of service delivery;
- Improved and meaningful public involvement in Legislature business;
- Increased responsiveness of laws to meet the needs of the people of Gauteng;
- Fostered and coordinated legislative sector;
- Enhanced public confidence in the governance and leadership of the legislature; and
- Modernised business practices that support the functions of the legislature.

Core functions and responsibilities

Section 114 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) (“the Constitution”) explicitly defines the core functions of the Gauteng Provincial Legislature. The afore-mentioned Act gives the GPL the authority to exercise oversight over the Executive and the organs of the state as well as to facilitate law-making through considering, passing, amending or rejecting any bill before the Legislature, including initiating and preparing legislation except for the money bills. Section 118 of the Constitution also mandates the GPL to ensure public participation in the legislative processes by ensuring that the public have access to and involvement in the legislative processes.

Main services

The following responsibilities shape the core mandate of the GPL to ensure delivery of services to the people of Gauteng:

- Making laws for the province that are just and responsive to the people’s needs;
- Overseeing the provincial government by ensuring that departments deliver on service delivery priorities and promises, hold them accountable for their functions, conduct and performance;
- Mobilising and involving stakeholders to participate in the Legislative processes including;
 - Conducting Public education workshops with the aim of informing and educating citizens about the processes of the Legislature,
 - Educating the public about the budget process and encouraging them to participate;
 - Holding *Bua le Sechaba* campaigns that aim to create dialogue sessions for generating ideas, providing feedback and responding to all public questions and concerns;

- Holding sector parliaments as part of channelling issues and interests with different sectors of society such as youth; children; women; lesbian, gay, bisexual, transgender and intersex (LGBTI) people; workers; people with disabilities; seniors citizens and interfaith groups;
- Holding public hearings on matters of interest and laws introduced; and
- Receiving and responding to all petitions sent and submitted by the citizens.

Programme of Transformation, Modernisation and Reindustrialisation

The 2019 MTEF budget is largely informed by the Presiding Officers Lekgotla and other key policy documents such as the National Development Plan (Vision 2030) and the Legislative Sector’s Strategic Framework for the 5th Term (2014-2019) which ends two months into the 2019/20 financial year. The GPL is expected to develop the strategic plan for the 6th term following the national general elections and establishment of the 6th Legislature Term. The new strategic plan might have an impact on the 2019/20 budget and the GPL Adjustments Budget for the 2019/20 financial year will reflect such changes.

The GPL 2019 MTEF budget responds to the following 2014-2019 Strategic Plan pillars that have been derived in line with the Gauteng government’s Transformation, Modernisation and Re-industrialisation (TMR) priority pillars:

Pillar 1: Transformation of the Legislature’s governance processes

The GPL must enhance public confidence in the governance and leadership of the legislature by being the most accountable and responsible legislature. The GPL must also improve the effectiveness of the oversight function for enhanced service delivery.

Pillar 2: Modernisation of the legislature business of oversight, public participation and law-making practices

The GPL must take advantage of the technologies at its disposal to modernise the legislature business to an e-legislature environment.

Pillar 3: Re-engineered public participation beyond slogans

The GPL’s public participation processes must be more meaningful and should increase the confidence of the people in their public representatives. The public participation processes must assist the people of Gauteng in using democratic governance processes to improve their lives, resolve their problems, and hold their elected public representatives accountable.

Pillar 4: Transformation of the legislative sector in the context of integrated global city region and connected government

The GPL must work closely with municipal councils in Gauteng in a manner that promotes one provincial government serving the same community and thereby achieving a connected legislative arm of government in the province that is able to plan jointly, and subsequently achieve province-wide government accountability, transparency and public involvement. The GPL’s public participation, oversight and law-making processes must be the same throughout the province and legislative business processes must connect with the legislative processes of the municipalities in Gauteng.

Pillar 5: Transformation of the legislature’s law-making processes

The GPL must do more to achieve a transformative legislative framework that must propel the democratic developmental state to achieve its objectives. This includes actively seeking appropriate legal instruments to facilitate the accelerated implementation of the programmes of the government. Oversight and public participation should also be used to identify gaps in existing laws and policies.

Pillar 6: Consolidating the Legislature’s oversight practices

Oversight visits must involve the people affected by the services and the GPL must intensify the use of field-based oversight approaches and explore avenues through which constituency issues could be raised and processed in the House for the legislature to reinforce its representational and oversight role.

Acts, rules and regulations

Section 114 of the Constitution clearly states the responsibilities of the Gauteng Provincial Legislature. This section entrusts the GPL with the responsibility to pass, amend and reject any bill before it, including initiation or preparation of legislative bills. The Act further extends the responsibilities of the GPL to oversee the Executive relating to the implementation of their departments’ mandate. The GPL also has the obligation to facilitate the involvement of the public in the legislative and other processes of the legislature and its committees in line with Section 118 of the Constitution.

The following are key legislative mandates that further outline the GPL responsibilities and requirements:

- Constitution of the Republic of South Africa, 1996, Act No. 108 of 1996 (Chapter 3 and Sections 114, 118 and 142 of the Constitution);
- Financial Management of Parliament and Provincial Legislatures Act, 2009, Act No. 10 of 2009;
- Political Party Fund Act, 2007, Act No. 3 of 2007;

- Preferential Procurement Framework Act, 2000, Act No. 5 of 2000;
- The Promotion of Access to Information Act, 2000, Act No. 2 of 2000;
- Public Finance Management Act, 1999, Act No. 1 of 1999;
- The Gauteng Provincial Legislature Service Act, 1966, Act No.5 of 1966; and
- Treasury Regulations issued in terms of the Public Finance Management Act, 1999, Act No. 1 of 1999

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

The service delivery outputs for 2018/19 responds to the 2014-2019 adopted strategy including emerging priorities that were identified during the budget implementation and quarterly reviews. The Gauteng Provincial Legislature is continuously striving to contribute to the improvement of quality of life for the people of Gauteng through law making, oversight over the Executive, and facilitating public participation in the legislative processes. Summarised below are the achievements in the implementation of the 2018/19 service delivery plans under the constitutional mandate of law-making, oversight over the Executive and public participation:

Facilitating Law Making

The Gauteng Provincial Legislature has the constitutional powers to facilitate law making by considering, passing, amending or rejecting any bill before the legislature, including initiating and preparing legislation apart from the money bills. It is of great importance that this power is exercised in an unbiased and responsive manner to ensure that people's needs are addressed and satisfied. In this regard, the GPL has made tremendous strides in ensuring that laws are responsive to the needs of the people of Gauteng.

The GPL also continued to develop and implement laws that create an enabling environment to better the lives of the people of Gauteng through consultation processes or public hearings, by consolidating law-making processes and all feedback from citizens.

During the period under review, the legislature introduced the following bills: The Appropriation Bill that the House passed, the Unauthorised Expenditure Bill, the Gauteng Road Traffic Amendment Bill and Gauteng Transport Authority Bill.

The GPL, through the National Council of Provinces (NCOP), supported the following bills: The Division of Revenue Bill, the Administrative Adjudication of Road Traffic Offences (AARTO) Amendment Bill, the Traditional Leadership and Governance Framework Amendment Bill, the Mineral and Petroleum Resources Amendment Bill, as well as the Plant Improvement and Plant Breeders Amendment Bills.

The GPL established the ad-hoc Committee on Money Bills Amendment Procedure and Related Matters Bill as well as the ad-hoc Committee on the Motion for the Proposed Amendments to the Electoral Act 2018. In terms of Section 120(3) of the Constitution, the GPL has an obligation to establish a provincial act that must provide for a procedure by which it may amend Money Bills that the Member of the Executive Council responsible for financial matters may initiate. The Money Bills Amendment Procedure and Related Matters Bill intends to empower the GPL's budgetary powers over the Executive, thereby ensuring that the most urgent public policy priorities in the province are funded. The concerns identified and documented during the GPL's oversight work will motivate the amendments to money bills.

The introduction, tabling, and consideration of the Provincial Adjustments Appropriation Bill (PAAB) 2018 took place in November 2018.

Oversight over the Executive and the organs of the state

The GPL has the responsibility to hold executives of provincial departments accountable for the delivery of services to the citizens of Gauteng by exercising its constitutional mandate of oversight. Committees continued to use tools and methodologies adopted by the South African legislative sector to interrogate departments' reports. These include the Sector Oversight Model (SOM), the Budget Cycle Model and the Programme Evaluation and Budget Analysis (PEBA) Model.

During the period under review, all Sector Oversight Model (SOM) imperatives in support of Committee work were achieved. The GPL held 21 successful House sittings whereby a total of 30 quarterly oversight reports, 15 Committee Budget Oversight reports and 10 Focus Intervention Studies (FIS) reports were tabled and adopted. The oversight visits are conducted to identify and investigate problems and establish processes to resolve these problems at a policy level, including the report back to the House with recommendations.

The GPL also continued to oversee the Executive through oral and written motions on matters of service delivery, thus ensuring that the Executive is accountable for how taxpayers' money is spent. Three hundred and ninety-six (396) resolutions

were communicated to the Executive, while 247 responses were received from the Executive and referred to the committees during the period under review. In addition, the GPL processed 583 questions for written replies and 162 questions for oral replies. In turn, the Executive replied to 565 out of these questions. The GPL also processed 18 motions and tabled them for debate in the House.

For the remaining period, the House and its committees will continue with the monitoring of departments through PEBA Model consistent with SOM imperatives in pursuit of oversight over the Executive.

Public participation

The GPL is continuously seeking innovative ways to ensure that the Gauteng community has access to and are involved in the legislative processes of the legislature. It is against this backdrop that the GPL introduced the Re-engineering of Public Participation project. The main objective of the project was to identify any gaps between the current and expected levels of public participation with a view to strengthen the application of public participation in the work of the GPL. Part of the Re-engineering of Public Participation project was to conduct the research to measure the level of public participation by the five regions of Gauteng in the democratic processes and structures of the Legislature. The GPL commissioned the Bureau of Market Research (BMR) at Unisa to conduct the research. The Bureau of Market Research presented the report to the GPL on completion of the project.

There are notable improvements in the creation of various platforms for public participation to encourage citizens to directly voice their concerns and views and partake in the legislature programmes. These platforms include sector parliaments that are aimed at creating a platform for meaningful engagement between public representatives and the related sectors. In this regard, the GPL has successfully held sessions of the following sector parliaments:

- The Interfaith Parliament convened at Bronkhorstspruit Sport Complex in Tshwane on 5 April 2018. The theme was “Making your future work better. Learning from Madiba”. The parliament targeted 500 people and focused on encouraging vigorous participation of the interfaith sector in the legislative processes to influence the moral re-engineering of society and its involvement in the education system and school governing body regime to open ways for reforms.
- The Youth Parliament convened at the Nasrec Expo Centre in Johannesburg on 15 June 2018, with 700 people in attendance. The purpose of the Youth Parliament is to strengthen the existing partnership between the Gauteng Provincial Legislature and youth of Gauteng to create a platform for the youth to raise their challenges and suggest solutions that contribute to a more productive and prosperous Gauteng Province. The Parliament focused on the theme “The children of any nation are its future. A country, a movement, a person that does not value its youth does not deserve a future and GPL- *Thuma-mina* and entrust me with the future of the youth in Gauteng”. Discussions were around youth unemployment, entrepreneurship and free education, as well as the proposed minimum wage, expropriation of land without compensation and data costs and youth development.
- The Children’s Parliament convened at Alberton Council Chambers in Ekurhuleni on 13 July 2018. The main aim of the Children’s Sector Parliament is to empower children to participate in democratic processes and encourage them to play their part in decision-making processes. Discussions included the relevance of voting in the democratic 21st Century South Africa; merging of rights and responsibilities in dealing with violence in schools with respect to abuse of teachers; bullying and attacks on albino children; as well as the role of sports and art in contributing to academic excellence.
- The Women’s Parliament convened on 17 August 2018 in Sedibeng at Vereeniging Banquet Hall. Its aim is to provide a platform for the women of Gauteng to raise their concerns in the presence of their public representatives; and afford them an influential role in the decision-making processes within the legislature. Issues discussed during the parliament included the intersection between sexual vulnerability of young women in schools - including the role of government in their safety - women trafficking; and the effectiveness of the justice system in women-abuse cases. The Women’s Parliament also focused on women’s participation in small business and cooperatives as well as in sporting activities in their communities. The Women’s Parliament also intended to strengthen the links between the GPL and organisations that advocate women’s rights.
- The Senior Citizens’ Parliament convened at Suurman Community Hall in Hammanskraal on 19 October 2018. The Gauteng Premier attended this session, which aimed at providing a platform for empowering the elderly persons of Gauteng to engage directly with both the GPL and the Gauteng government on various service delivery and social empowerment issues as stipulated in the Older Persons Act, 2006, Act No. 13 of 2006. Discussions and deliberations focused on giving priority to older persons and ensuring an enabling and supportive environment with reference to the stated Act. The senior citizens had a platform for indicating areas of service delivery where they are lacking, especially access to government services such as health services, housing, justice and social security. Discussions also covered the role of senior citizens in the land expropriation issues and in participation in the economy.

- The Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) Parliament convened at Carletonville Sport Complex in West Rand on 21 September 2018. The objective of the Parliament was to create awareness of challenges facing the LGBTI community in Gauteng and to discuss existing legislation and policies aimed at the enhancement and protection of the rights of the LGBTI community. The Parliament also afforded the LGBTI community an opportunity to engage with their elected representatives in the GPL and seek their intervention concerning the daily violation of their rights as citizens. The Parliament also considered the issues of unemployment and acceptance or rejection in the faith environment.
- People with Disability Parliament convened at Munsieville Sports Centre in Krugersdorp on 6 December 2018. The Parliament discussed issues relating to the Fourth Industrial Revolution. These issues include the ability of People with Disabilities to interact with the systems in banks and government offices, the importance of participation of People with Disabilities in the electoral system, access to information on the health care system reforms such as the National Health Insurance and the relevance of the 2 per cent employment quota for People with Disabilities.
- The Commercial Sex Workers Parliament did not convene as planned due to unavailability of all relevant stakeholders on the set date.

Stakeholder engagements and feedback sessions were held to facilitate the public participation in the work of the Legislature during the period under review. The Citizens Responsibility Campaigns or sessions that were attended include the Women's month events and the Men's Forum events.

A minimum of 874 people participated in the House sittings and 619 000 people were reached through social media platforms such as Twitter and Facebook. The Petition Standing Committee processed 77 new petitions tabled before it. The Committee adopted 71 petitions and rejected six petitions. The Standing Committee considers and adopts petitions that deal with issues of public policy implementation, administrative justice, governance process and service delivery. The Standing Committee continues to work diligently with all structures involved to ensure issues are resolved and petitions closed. The petitioning system remains the most effective and peaceful means of resolving community concerns, grievances and requests without resorting to violent demonstrations.

The GPL used advertisements and marketing through media platforms such as radio programmes and broadcasts, television broadcasts, campaigns, advertorials, publications and newsletters to communicate and educate the people about the mandate of the GPL and to promote public participation. Stakeholders attended all committee meetings and submitted verbal and written submissions. As part of GPL's efforts to "Take the Legislature to the People," portfolio committees held public meetings in various communities around the province with the aim of affording people of Gauteng a platform to give input on the performance reports given by the provincial departments. Because the people of Gauteng receive the services of provincial departments, it is crucial that the people of Gauteng be afforded a platform to provide input on the services they receive. The GPL held the public education workshops to promote meaningful public participation in support of committees.

Stakeholder Relations

The GPL continued to work and partner with different organs of state in relation to public participations initiatives. The GPL continued to work together with Public Participation Offices (PPOs), Non-Government Organisations (NGOs), the Constitutional Hill Gender Commission, Congress of the Traditional Leaders of South Africa (CONTRALESA) and other bodies supporting democracy to promote public involvement and solicit public concerns for tabling and debating in the House.

The GPL participated in legislative sectors such as the Secretaries' Association of the Legislatures (SALS), the Commonwealth Parliamentary Association (CPA) and the Gauteng Speakers Forum (GSF) to improve the implementation of the memorandum of understanding through a customised co-operative governance framework that governs the legislature's engagement with organs of state. In partnership with the Gauteng Speakers' Forum (GSF), the Legislature hosted the Parliamentary Oversight, Accountability and Scrutiny Seminar on 18 September 2018 under the theme, "Excellence through modernised oversight and accountability for socially equitable transformation". The seminar provided an opportunity for role-players in the legislative sector to scrutinise the key areas of responsibility entrusted under this sector. Participants in the seminar included a Member of Parliament from the National Assembly, members of National Committee of Provinces, GPL Presiding Officers, Speakers of metropolitan municipalities and other municipalities, Chairperson of GPL Committees and Municipal Committees, academics as well as representatives of NGOs and Civic Organisation bodies.

The NCOP held the session of Taking Parliament to the People in September 2018 under the theme "The impact of migration on service delivery" in various regions of the Gauteng Province. The NCOP was established to represent the interests of the provinces and to provide a national forum for public consideration of issues affecting the provinces. The functioning of the NCOP is intertwined with the operations of the National Assembly, provincial legislatures and South African Local Government Association (SALGA) on matters affecting provinces and local government. The theme for the provincial week was "Celebrating 20 Years of the Constitution and the NCOP".

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

The 2019/20 budget will see the conclusion of the 2014-2019 term and consolidation of achievements in areas of law-making, oversight over the executive and facilitation of public participation in legislative processes. Similarly, the 2019/20 financial year signals the commencement of the 6th Legislature term including the new strategy for the 2019-2024 and the supporting budget. Notwithstanding the expected changes from the new term, the core mandate of the GPL remains the same and as such, the GPL will continue to enhance its constitutional obligations through law-making, oversight over the Executive and facilitation of public participation in legislative processes.

Facilitating law making

The Gauteng Provincial Legislature will continue to develop, facilitate and implement laws that are in the best interest of Gauteng citizens to ensure that an enabling environment is created for improving the lives of its citizens. The involvement of the people of Gauteng in law-making processes continues to be important through public hearings, by consolidating all the feedback from citizens, as well as by reviewing the impact of laws passed on the lives of the citizens. The GPL will create an environment that identifies and initiates laws, where necessary, and develops and enacts legislation that facilitates the implementation of the 6th legislature priorities to ensure improved budgetary oversight and consideration of laws by the GPL.

Oversight over the Executive and the organs of the state

The GPL is assigned with the constitutional mandate of monitoring and overseeing the Executive and organs of the state over the delivery of services promised to the citizens of Gauteng, therefore ensuring that quality of life for citizens is improved for the better. The GPL will continue to identify and implement mechanisms for improving its oversight role over the Executive and thereby ensuring synergy within government.

The GPL will continuously improve and strengthen the implementation of PEBA provisions by committees and the resolution tracking system, the implementation of the defined analytical parameters in undertaking research, as well as committees' compliance with guidelines for assessing service delivery matters detailed in the resolutions passed.

Oral and written motions on matters of service delivery will be enhanced to oversee the Executive and thus ensure that the Executive is accountable to taxpayers, civil organisations, and citizens of Gauteng on how funds are spent to increase accountability, transparency, public trust and confidence in the government.

Public participation

The mandate of the GPL is predominantly at the centre of the citizens and as such, the GPL aims to strengthen engagements and public participation initiatives aimed at reaching out to communities and ensuring that the people's voices are heard, and their concerns and views are considered. The GPL has increasingly been at the forefront of the pioneering of excellent practices that enable effective implementation of its constitutional mandate of promoting public access and involvement in the processes of the legislature. The GPL will continue to use Public Participation Strategy and the comprehensive conceptual framework for re-engineering public participation beyond slogans to enhance public access, engagements and involvement in the Legislature business. Sector parliaments, public education workshops and 'Taking the legislature to the people' programmes will continue to create different platforms for public participation to encourage citizens to directly voice their concerns and views and receive feedback report from the GPL for ensuring improved Legislature programmes.

The legislature committees will continue to place more emphasis on addressing challenges faced by communities and reporting back on matters raised by them through increased public engagements and education workshops. The GPL will reinforce and communicate its mandate and work to the citizens of Gauteng through constant use of media initiatives such as radio programmes and broadcasts, television broadcasts, advertorials, publications, newsletters and campaigns amongst others.

The sector parliaments will convene to mobilise communities in support of the transformation, modernisation and re-engineering imperatives and Gauteng vision. In support of the above, the GPL will continue to hold the following sector parliaments in 2019/20:

- Youth Parliament focusing on issues relevant to youth development;
- Children's Parliament to create a platform for participation of children in matters of democracy and nation building in line with the country's Children's Act, 2005 (No. 38 of 2005), which advocates for the creation of platforms to enhance children participation in democracy providing them an opportunity to influence policies and strategies to realize their rights.
- Women's Parliament to discuss ways to increase women's representations in Parliament and socio-economic issues affecting women in Gauteng;
- Senior Citizens' Parliament to empower senior citizens to have a say in matters of governance as stipulated in the Older Persons Act, 2006 (Act 13 of 2006);
- Workers Parliament to address issues affecting workers and conditions of employment;
- Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) Parliament on issues affecting the LGBTI community in Gauteng;

- People with Disability Parliament to ensure increased engagements with designated groups;
- Interfaith Parliament to ensure that the sector plays an active role in the legislative and decision-making processes of the GPL;
- Commercial Sex Workers Parliament, which aims at creating a platform for meaningful engagement between public representatives and commercial sex workers.

The GPL will strive to intensify Bua le Sechaba campaigns and public education workshops to promote meaningful public participation including dialogue sessions that aim to generate ideas and address issues of importance.

The petitions systems will continue to be a legal platform for citizens to raise their service delivery concerns directly with the government and for citizens to receive government's responses to their concerns. The process gives citizens the power to hold the government accountable through a peaceful and constitutional means.

Stakeholder Relations

Interactions and participation between other Legislative sectors such as the Secretaries' Association of the Legislatures (SALS), the Commonwealth Parliamentary Association (CPA), and the Gauteng Speakers Forum (GSF), will be strengthened to ensure implementation of the memorandum of understanding through a customised co-operative governance framework that governs the legislature's engagement with organs of state. The CPA is a body that exists for empowering African Legislatures through sharing of best practices in Law-making, Oversight and other legislature work. The GSF's vision is to deepen democracy, enhance good governance, improve government accountability and create laws that are just and fair for the people of Gauteng.

Collaborations and partnerships with different organs will also be strengthened to foster co-operative governance and to deliver public participation initiatives and programmes to the Gauteng community. These include municipalities, Public Participation Offices (PPOs), Non-Government Organisations (NGOs), the Constitutional Hill, Gender Commission and Congress of the Traditional Leaders of South Africa (CONTRALESA) and other bodies supporting democracy.

4. REPRIORITISATION

All key relevant stakeholders and budget holders are responsible for the crafting of the budget to ensure an inclusive budget process in which all participants are held responsible and accountable for the budget allocated to them. The Budget Management Practice Guide and standard costing rates have been enhanced to ensure reprioritisation of funds to core service delivery outputs and were implemented during the costing of activities to reduce budgeting for non-essentials such as accommodation, internal catering, business class travel and the use of external commercial venues.

Despite the implementation of the practice guide, the GPL was still faced with competing priorities against limited resources and that necessitated the implementation of stringent measures and unpopular trade-offs. The Budget Councils or Planning Committee undertakes a formal process of reprioritisation through interrogation and assessment of the Programmes budgets bids to ensure and determine alignment to GPL's priorities, capacity to spend, the credibility of costing, implementation of cost-efficiency measures and ultimately the affordability of the plans.

Subsequently, the GPL reprioritised funds from non-core items such as accommodation, conferences and study tours to augment the budgetary shortfall in compensation of employees resulting from the carry-through effects of the 2018/19 salary agreements. The amounts reprioritised are R8.4 million from Programme 1: Leadership and Governance, R715 000 from Programme 2: Office of the Secretary and R277 000 from Programme 3: Corporate Support Services and these amounts are reallocated to Programme 4: Core Business (R7.3 million) and Programme 5: Office of the CFO (R2.1 million).

5. PROCUREMENT

The GPL will continue to identify reforms and strategies that aim at improving procurement processes and reducing inefficiencies. The GPL will regularly review the Supply Chain Management (SCM) policy to ensure alignment to the SCM Regulations applicable to all legislatures therefore ensuring enhanced supply chain management standards. There will be a regular review of the Delegation of Authority to ensure appropriate levels of delegation and to improve operational efficiencies. In improving the supply and demand value-chain and ensuring improved facilitation of requisitions, demand plans for goods and services above the R500 000 threshold are prepared prior to the beginning of the new financial year to facilitate

requisitions for goods and services, and to reduce delays in procurement of these goods and services. The Legislature Adjudication Council (LAC) also meets regularly to ensure adherence to SCM principles and to adjudicate on tenders evaluated by the Tender Evaluation Committee.

Vendor management for suppliers of goods and services will continuously be improved. This includes the vetting of vendors on the GPL database. On an annual basis, the GPL conducts workshops with service providers and with Programmes within the GPL to educate and create awareness around supply chain management processes and policies and will continue to strengthen and sustain relationships with all these relevant stakeholders.

In response to the GPL imperative of 'Taking the Legislature to the people', the GPL will continue to prioritise the allocation of business to local and township service providers. Enhanced initiatives will also be applied in the next financial year to improve application of the preferential procurement strategy thus ensuring that highly disadvantaged individuals, women, youth and people with disabilities are also given preference.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 2.1: SUMMARY OF RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	600 473	649 557	674 898	715 824	715 824	715 824	761 430	806 130	858 075
Total receipts	600 473	649 557	674 898	715 824	715 824	715 824	761 430	806 130	858 075

The Gauteng Provincial Legislature's primary source of revenue is the equitable share received from the Provincial Treasury in line with the prescripts of the Constitution of South Africa. The budget allocation increased from R600.5 million to R674.9 million between 2015/16 and 2017/18. In 2018/19, the budget allocated to the GPL increased to R715.8 million.

In 2019/20, the GPL budget allocation increases from R715.8 million in 2018/19 to R761.4 million, representing an increase of R45.6 million or 6 per cent. The 2019/20 budget allocation makes provision for compensation of employees for both the GPL and political parties' support staff, House sittings, members facilities, committee activities including public outreach programmes and sector parliaments, as well as existing contractual obligations and operational costs. Over the MTEF the budget allocation increases to R858.1 million in the outer year.

Compensation of employees accounts for 52 per cent of the allocation in 2019/20, followed by goods and services at 31 per cent, and lastly transfers to political parties at 17 per cent. In addition, capital assets constitute 1 per cent of the 2019/20 budget.

6.2 Departmental receipts

TABLE 2.2: SUMMARY OF DEPARTMENTAL RECEIPTS COLLECTION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	2 132	2 855	3 605	2 923	2 923	3 821	4 127	4 333	4 593
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	8 438	11 569	15 705	13 998	13 998	16 961	18 149	18 512	19 622
Sales of capital assets									
Transactions in financial assets and liabilities									
Total departmental receipts	10 570	14 424	19 310	16 921	16 921	20 782	22 276	22 845	24 215

The GPL collects revenue in the form of interest earned on investments, leasing out of parking space, City hall bookings, and other sales of goods and services such as memorabilia and disposed assets. Between 2015/16 and 2017/18 financial years, the GPL collected a total amount of R44.3 million, with the highest revenue been collected in 2017/18 from interest on investments.

During 2018/19, the Institution projected the collection of a total amount of R20.8 million. In 2019/20, the GPL projects the collection of R22.3 million, which represents an increase of 7 per cent increase from 2018/19. Over the MTEF, own revenue collection is expected to increase to R24.2 million, depicting an average increase of 4 per cent over three years.

7. PAYMENT SUMMARY

7.1 Key assumptions

The 2019 MTEF expenditure estimates is mainly informed and guided by Presiding Officers priorities, committees and support functions from the Administration. Furthermore, the development of the budget is informed by the following key inputs:

- The organisational structure and estimated salary adjustments for 2019/20 comprising; cost of living adjustments, pay progression, 13th cheque, performance bonuses, overtime and funeral;
- The number of estimated House sittings and committee activities to determine the support to be provided by Administration;
- Public education workshops and sector parliaments;
- Key strategic and operational projects;
- Operational costs including existing contractual obligations;
- Transfers to political parties; and
- Capital assets requirements.

7.2 Programme summary

TABLE 2.3: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Programmes									
1. Leadership And Governance	39 160	40 170	47 496	36 914	36 814	44 945	45 646	48 688	52 938
2. Office Of The Secretary	14 867	17 127	16 242	25 310	25 032	25 032	25 249	27 156	28 776
3. Corporate Support Services	283 771	303 330	303 599	338 073	338 173	330 042	355 069	371 539	391 662
4. Core Business	186 148	202 799	224 671	259 094	259 372	259 372	275 131	294 179	315 617
5. Office Of The Cfo	38 125	42 723	53 317	56 433	56 433	56 433	60 335	64 569	69 082
Total	562 071	606 149	645 325	715 824	715 824	715 824	761 430	806 130	858 075
Direct charge on the Provincial Revenue Fund									
Members remuneration	65 566	67 906	71 743	74 664	74 664	74 664	76 615	80 446	84 871
Departmental receipts not surrendered to Provincial Revenue Fund									
(Amount to be financed from revenue collected in terms of Section 13 (2) of the PFMA)	10 570	14 424	19 310	16 921	16 921	20 782	22 276	22 845	24 215

7.3 Summary by economic classification

TABLE 2.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	443 667	481 538	523 983	592 545	589 809	583 531	629 380	670 901	717 600
Compensation of employees	258 011	280 869	310 273	356 885	356 885	355 657	382 427	411 400	443 071
Goods and services	185 656	200 669	213 710	235 660	232 924	227 874	246 953	259 501	274 529
Transfers and subsidies to:	97 911	110 585	114 907	121 572	121 572	121 572	126 420	130 959	135 919
Provinces and municipalities									
Non-profit institutions	97 911	110 585	114 907	121 572	121 572	121 572	126 420	130 959	135 919
Households									
Payments for capital assets	20 493	14 026	6 435	1 707	4 443	10 721	5 630	4 270	4 556
Buildings and other fixed structures	12 165	9 823	1 295		2 736	2 736			
Machinery and equipment	8 328	4 203	5 140	1 707	1 707	7 985	5 630	4 270	4 556
Software and other intangible assets									
Payments for financial assets									
Total economic classification	562 071	606 149	645 325	715 824	715 824	715 824	761 430	806 130	858 075

During 2018/19, the GPL embarked on a reprioritisation process that resulted in the shifting of R2.7 million from goods and services to capital assets, to fund budgetary pressures in priority projects identified, to address the aging infrastructure in the main building. The additional funding was earmarked for the drainage and plumbing project as well as the heating, ventilation and air-conditioning project.

In 2019/20, the estimated expenditure increases by 6 per cent from R715.8 million in 2018/19 to R761.4 million. The increase is noticeable in compensation of employees, goods and services, and transfers to political parties. In addition, a substantial portion of the 2019/20 budget is also allocated to Programme 3: Corporate Support Services and Programme 4: Core Business at R355.1 million and R275.1 million, respectively. The budget for Programme 3: Corporate Support Services provides for support functions to members and the administration as well as transfers to political parties. The budget for Programme 4: Core Business budget provides for the committee activities, outreach programmes and public participation initiatives. The aim of public participation initiatives is to respond to the GPL's commitment to enhance active interaction and engagements with the public by encouraging, and facilitating public participation in the processes of legislature, and strengthening the involvement of Gauteng citizens as crucial patrons of the GPL's work. In addition, Committees act as the engine of the legislature by scrutinising legislation and playing an oversight role of ensuring that the service delivery outputs of departments align with their plans. The budget for Programme 4: Core Business budget provides for the use of radio and television broadcasts, publications and newsletters to reach out to communities and to promote the work of the GPL.

Over the 2019 MTEF, the GPL's estimated expenditure increases by 6 per cent on average from R761.4 million in 2019/20 to R858.1 million in 2021/22.

The remuneration of public office bearers (POBs) increased from R65.6 million in 2015/16 to R71.7 million in 2017/18. Over the MTEF period, remuneration of POBs increases from R74.7 million in 2018/9 to R84.9 million in 2021/22 to provide for salary increases.

Compensation of employees grew by 10 per cent on average from R258 million in 2015/16 to R310.3 million in 2017/18 due to a growing staff compliment and implementation of annual salary adjustments. In 2019/20, compensation of employees increases by 8 per cent from R355.7 million in 2018/19 to R382.4 million. The increase makes provision for, amongst others, estimated cost of living adjustments, pay progression, funeral benefits, overtime claims, performance bonuses and 13th cheques. The budget will increase to R443.1 million in 2021/22.

Expenditure on goods and services increased from R185.7 million to R213.7 million between the 2015/16 and 2017/18 financial years, showing an increase of 12 per cent on average. During 2018/19, the goods and services budget was reduced by R2.7 million to fund budgetary shortfall in capital assets. In 2019/20, the estimated expenditure on goods and services increases by 8 per cent, from R227.9 million in 2018/19 to R247 million. The projected expenditure caters for the establishment of the 6th Legislature, committee activities, House sittings, public outreach programmes, operational costs and

members benefit tickets. Over the MTEF period, goods and services increases moderately by 5 per cent on average from R247 million in 2019/20 to R274.5 million in 2021/22.

Transfer payments to political parties have increased reasonably over the years from R97.9 million in 2015/16 to R114.9 million in 2017/18. In 2018/19, transfer payments to political parties have increased by 6 per cent from R114.9 million in 2017/18 to R121.6 million. In 2019/20, transfers to political parties increases by 4 per cent from R121.6 million in 2018/19 to R126.4 million. Over the MTEF, transfers grows at a constant rate of 4 per cent on average from R126.4 million in 2019/20 to R135.9 million in 2021/22. Transfers to political parties comprise of constituency allowances and political party funding, and enable members to fulfil their constitutional obligations, thus reducing dependency on private funding and enhancing multi-party democracy.

Between the 2015/16 and 2017/18 financial years, payments for capital assets have decreased from R20.5 million to R6.4 million, representing a decline of 44 per cent on average. The implementation of projects such as the SAGE building project and the rehabilitation of heating ventilation and air-condition installation in the main building increased expenditure in 2015/16. The procurement of office furniture, laptops, motor vehicles, members' touch screens, security x-ray devices and security walk-through detectors also increased expenditure in 2015/16.

During 2018/19, payments for capital assets will amount to R10.7 million owing to the upgrade of the audio-visual equipment in the chamber, the implementation of the drainage and plumbing project, the implementation of the heating, ventilation and air-conditioning project as well as procurement of replacement laptops for members. In 2019/20, payments for capital assets decreases to R5.6 million and the allocation is earmarked for office furniture, replacement laptops for staff and laptops for the new members of the legislature following the general elections in 2019. Over the MTEF, capital payments decreases to R4.6 million in 2021/22 as the allocation only accommodates those assets that will require replacement in line with the policy.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

N/A

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.5.2 Transfers to other entities

TABLE 2.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Constituency Allowance	30 660	38 544	38 544	40 780	40 780	40 780	40 780	40 780	40 780
Political Party Funding	67 251	72 041	76 363	80 792	80 792	80 792	85 640	90 179	95 139
Total departmental transfers	97 911	110 585	114 907	121 572	121 572	121 572	126 420	130 959	135 919

Between the 2015/16 and 2017/18 financial years, transfer to political parties increased from R97.9 million to R114.9 million. In 2018/19, transfers increase by R6.7 million from R114.9 million in 2017/18 to R121.6 million, representing an increase of 6 per cent.

In 2019/20, transfers are expected to increase by 4 per cent from R121.6 million in 2018/19 to R126.4 million. Over the MTEF, the funding for the transfers to political parties increases from R126.4 million in 2019/20 to R135.9 million in 2021/22.

Transfers to political parties are comprised of constituency allowances and political party funding. Section 236 of the Constitution promotes multi-party democracy and in-particular, requires national legislation to provide for the funding of political parties participating in provincial legislatures on an equitable and proportional basis. The Gauteng Political Party Fund Act, 2007 was promulgated to provide funding for political parties participating in the legislature, and further to provide for accountability and disclosure by parties. The objective of the constituency allowance is to enable political parties to

establish and maintain an infrastructure to serve the interests of constituents and to enable its members to render services to the public. Party funding in the Provincial Legislature aims at assisting in enhancing democracy and promoting active citizenry, as Political Parties are seen as vital public institutions to enhance citizens' participation in their own governance and in democracy.

7.5.3 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: LEADERSHIP AND GOVERNANCE

Programme description

The purpose of the Leadership and Governance programme is to provide strategic leadership and overall management to the Institution, thereby enabling the Institution to exercise its constitutional responsibility of conducting oversight over the Provincial Executive, making and passing laws for the Province, meaningfully involving the people of Gauteng in all Institutional processes and facilitation of cooperative governance. The programme is also responsible for:

- The alignment of institutional processes to the strategic plan for the term 2014-2019;
- The strategic political management of Presiding Officers and Office Bearers; and
- The strategic management of committees to ensure achievement of the provincial priorities is also effected via this programme.

Programme objectives

- Ensure the development and implementation of the institutional strategy, budget and legislative programme;
- Ensure that the business of the house functions optimally;
- Ensure further development and implementation of standing rules;
- Ensure that the Legislature Services Board functions optimally;
- Ensure development and maintenance of Inter-institutional relations, partnerships and Cooperative Governance;
- Ensure the promotion of Nation building and good governance;
- Mobilisation of civil society to participate in the GPL and especially in public participation programmes;
- Participatory law-making process and effective oversight on the governance of the Province; and
- Ensure the development and implementation of a training and development programme for members to:
 - Pass effective laws;
 - Oversee government effectively;
 - Enhance and ensure public participation;
 - To play a productive and effective role in the future South Africa.
 - Strategic Management of Committees and programmes;
 - Political Management of Committee of Chairpersons and Committees;
 - Ensure implementation of Committee Enquiries;
 - Ensure implementation of PEBA;
 - Ensure implementation of the Ministerial Accountability; and
 - Ensure the strategic coordination of NCOP.

TABLE 2.6: SUMMARY OF PAYMENTS AND ESTIMATES: LEADERSHIP AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The Executive Director	14 584	15 464	19 449	23 270	23 001	23 001	26 656	28 674	30 687
2. Administrative Operations	17 952	12 323	3 126	3 860	3 784	3 504	3 468	3 800	4 009
3. Inter-Legislature Relations			6 048	7 964	7 544	7 183	12 955	13 239	15 103
4. Oversight And Liaison	6 624	12 383	18 873	1 820	2 485	11 257	2 567	2 975	3 139
Total payments and estimates	39 160	40 170	47 496	36 914	36 814	44 945	45 646	48 688	52 938

TABLE 2.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LEADERSHIP AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	39 160	40 170	47 496	36 914	36 814	44 945	45 646	48 688	52 938
Compensation of employees	14 584	15 464	19 321	22 256	22 256	22 256	25 839	27 689	29 648
Goods and services	24 576	24 706	28 175	14 658	14 558	22 689	19 807	20 999	23 290
Transfers and subsidies to:									
Provinces and municipalities									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	39 160	40 170	47 496	36 914	36 814	44 945	45 646	48 688	52 938

The expenditure increased by 21 percent from R39.2 million to R47.5 million between the 2015/16 financial year and the 2017/18 financial year. Compensation of employees accounted for 39 per cent of the total expenditure whilst goods and services accounted for 61 per cent during these three financial years. Goods and services expenditures are mainly driven by committees' study tours and international conferences, as well as continued participation in the legislature sector and various conferences such as the regional and international Commonwealth Parliamentary Association (CPA), National and Provincial Speakers' Forums and National Conference of State Legislatures (NCSL). Regarding compensation of employees, increased staff compliment and annual adjustments in staff salaries contributed to the increased expenditure.

During 2018/19, the expenditure projected expenditure amounts to R44.9 million, which is higher than the adjusted budget of R36.8. This increase is due to cost incurred by committees' international study tours, and conferences for committees that could not travel in the previous financial year, owing to conflicting institutional and committee priorities.

In 2019/20, expenditure increases by 2 per cent, from R44.9 million in 2018/19 to R45.6 million. The increase in 2019/20 is due to the provision made for annual cost-of-living adjustments in compensation of employees. The programme also re-prioritised funds from the budget for travelling expenses (in goods and services) and reallocated these funds to the budgets for goods and services in other programmes to reduce the budget pressure in those programmes.

Compensation of employees increases from R22.3 million in 2018/19 to R25.8 million in 2019/20, which represents an increase of 16 per cent. The increase makes provision for annual cost of living adjustments, pay progression and other benefits such as funeral cover, performance bonuses and 13th cheques. The higher-than-inflation increase can be attributed to unfilled, funded vacancies and the carry-through effect of the 2018/19 salary agreement. Over the MTEF period, compensation of employees increases by 7 per cent on average per annum from R25.8 million in 2019/20 to R29.6 million in 2021/22.

Goods and services reflect a decrease of 14 per cent from R22.7 million in 2018/19 to R19.8 million in 2019/20 due to implementation of cost-efficiency measures, and suspension of committees' study tours due to the upcoming national elections. The allocation for 2019/20 also includes domestic and international sector forums and conferences that aim to build collaboration and cohesion within the legislative sector. Over the MTEF, goods and services increases by 9 per cent on

average per annum, from R19.8 million in 2019/20 to R23.3 million in 2021/22 due to the expected resumption of committees' international study tours and conferences, as well as Gauteng and National Speakers' forums activities.

Over the MTEF, the programme's estimated expenditure increases by 8 percent, from R45.6 million in 2019/20 to R52.9 million in 2021/22. The increase is mainly attributed to annual personnel costs adjustments, and provisions made for committees' international study tours and conferences. The increase also provides a buffer to offset the inflationary increase and the impact of exchange rates while travelling internationally.

PROGRAMME 2: OFFICE OF THE SECRETARY

Programme description

The Secretary's Office serves as the custodian of the development and implementation of the strategy and provides strategic, tactical and operational leadership to the GPL administration to achieve the institutional mandate of oversight and scrutiny, law-making, public participation and co-operative governance. The Office is also accountable for the institutional strategic planning, reporting, monitoring, contract management, evaluation and project management.

Programme objectives

- To ensure implementation of legislature programme;
- To identify best practice parliaments on oversight;
- To ensure compliance to oversight requirements by the Executive;
- To develop and sustain relations with civil society organisations for public participation;
- To provide tactical, strategic and operational leadership and direction to the Secretariat and its Sub-Committees;
- Lead integrated support services to law-making, oversight, public participation and co-operative governance;
- Implement the Institutional Leadership Model and charter;
- Implement the monitoring and evaluation framework for the GPL; and
- Ensure that all revenue, expenditure, assets and liabilities of the Legislature are managed efficiently, effectively and transparently.

TABLE 2.8: SUMMARY OF PAYMENTS AND ESTIMATES: OFFICE OF THE SECRETARY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The Secretary	14 813	17 080	16 177	25 079	24 801	24 801	24 909	26 782	28 381
2. Office Of The Integrity Commissioner	54	47	65	231	231	231	340	374	395
Total payments and estimates	14 867	17 127	16 242	25 310	25 032	25 032	25 249	27 156	28 776

TABLE 2.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE SECRETARY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	14 867	17 127	16 242	25 310	25 032	25 032	25 249	27 156	28 776
Compensation of employees	9 503	11 004	12 378	16 006	16 006	16 006	16 005	17 115	18 310
Goods and services	5 364	6 123	3 864	9 303	9 025	9 026	9 244	10 041	10 466
Transfers and subsidies to:									
Provinces and municipalities									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	14 867	17 127	16 242	25 310	25 032	25 032	25 249	27 156	28 776

The expenditure increased from R14.9 million in 2015/16 to R16.2 million in 2017/18, depicting an increase of 5 per cent on average. Of the total expenditure over the past 3 years, compensation of employees accounted for 68 per cent, and goods and services for 32 per cent. Goods and services expenditure is mainly related to the transversal mainstreaming activities including multi-party women caucus, participation in the South African Legislative sector (SALS), CPA conference, the African Youth Parliament and the printing of the Annual Report.

During 2018/19, the budget was adjusted downwards by R278 000, from R25.3 million to R25 million to fund budget pressures in Programme 4: Core Business in relation to Public Outreach Programmes.

In 2019/20, the expenditure increases from R25 million in 2018/19 to R25.2 million, representing an increase of 1 per cent. Goods and services increases by 2 per cent to provide for (amongst other costs), the Multi-Party Women Caucus, transversal mainstreaming, the printing and publication of the annual GPL and citizens' report, and the leadership development training programme. The Multi-Party Women Caucus is a forum constituting the GPL Women Parliamentarians from across party lines, who are united by a common interest in respect of the economic and socio-political wellbeing of women in Gauteng. In addition, the budget caters for continued participation in the Legislative sector such as the CPA, Society of Clerks at the Table (SoCATT), SALS, and NCSL.

Over the MTEF, the expenditure increases by 7 per cent on average from R25.2 million in 2019/20 to R28.8 million in 2021/22. The growth is mainly attributed to annual personnel costs adjustments and provision made for inflationary increase on goods and services.

PROGRAMME 3: CORPORATE SUPPORT SERVICES

Programme description

The purpose of the Corporate Support Services is to provide support to all internal stakeholders within areas of Human Resources, Information and Technology; Safety and Security; Building Management; Administration; Transport and Logistics; Members Affairs and Relations; through provision of systems, policies and processes that enable and facilitates service provision in the most effective, efficient and professional manner.

Programme objectives

- To ensure that there is an effective system for tracking resolutions of Oversight Committee, Legislative Services Board (LSB), sub-committees of the LSB, and Secretariat and its Sub-committees;
- To ensure that the business requirements are catered for through ICT support on business solutions (e.g. SAP), appropriate training, licensing, maintenance and access to required reports;

- To develop a system for effective integration processes and practices with internal and external stakeholders (participation in the Events Coordinating Committee, SALS, Speaker’s Forum processes);
- To develop a system for effective stakeholder resourcing (Resource model);
- Develop a culture of leadership that promotes diversity, work-life balance, transparency and accountability;
- To ensure that Members are provided with the necessary support that is responsive and relevant to their needs;
- Ensure the provision of the IT and office space infrastructure to enable staff and members to execute their functions;
- Ensure the provision of the administrative support; and
- Manage and control the provision of communication services.

TABLE 2.10: SUMMARY OF PAYMENTS AND ESTIMATES: CORPORATE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Ed Corporate Support Services	84 239	90 165	101 980	113 788	114 224	114 224	121 469	130 421	140 381
2. Members Affairs	104 678	118 955	122 164	131 839	132 559	132 559	143 130	146 127	151 922
3. Institutional Support Services	30 425	31 631	23 950	38 851	34 587	25 803	29 906	30 570	32 251
4. Operational Support Services	56 438	48 752	37 338	39 459	42 666	42 666	40 986	42 803	44 657
5. It And Technology	7 991	13 827	18 167	14 137	14 137	14 790	19 578	21 617	22 451
Total payments and estimates	283 771	303 330	303 599	338 073	338 173	330 042	355 069	371 539	391 662

TABLE 2.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CORPORATE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	166 595	180 259	187 397	216 501	213 865	200 997	224 049	237 880	252 843
Compensation of employees	83 968	89 439	101 540	112 956	112 956	112 956	120 146	128 960	138 840
Goods and services	82 627	90 820	85 857	103 545	100 909	88 041	103 903	108 920	114 003
Transfers and subsidies to:	97 911	110 585	114 907	121 572	121 572	121 572	126 420	130 959	135 919
Provinces and municipalities									
Non-profit institutions	97 911	110 585	114 907	121 572	121 572	121 572	126 420	130 959	135 919
Households									
Payments for capital assets	19 265	12 486	1 295		2 736	7 473	4 600	2 700	2 900
Buildings and other fixed structures	12 165	9 823	1 295		2 736	2 736			
Machinery and equipment	7 100	2 663				4 737	4 600	2 700	2 900
Software and other intangible assets									
Payments for financial assets									
Total economic classification	283 771	303 330	303 599	338 073	338 173	330 042	355 069	371 539	391 662

The expenditure increased from R283.8 million to R303.6 million between the 2015/16 and 2017/18 financial years largely resulting from transfers to political parties and followed by compensation of employees and goods and services. Goods and services expenditure related to operational costs comprising maintenance costs, ICT infrastructure, telecommunications, rent, municipal rates and taxes, and Members benefits tickets. Spending on capital assets mainly relates to the implementation of the SAGE building project and the air-conditioning project, the procurement of office furniture, laptops and motor vehicles, as well as the installation of Members touch screens.

The budget adjustments in 2018/19 resulted in an increase from R338.1 million to R338.2 million, representing an increase of R100 000 to fund the Speaker’s Charity Golf Day event. The Speaker’s Charity Golf Day is an annual charity event hosted by the Speaker of the Legislature to assist destitute children, build social cohesion, and to promote the GPL brand through networking with stakeholders. The stakeholders participate in a golf event by donating to the children’s home. In addition,

the programme's expenditure is also expected to decrease to R330 million due to lower-than-anticipated applications for bursaries and training, as well as implementation of cost-efficiency measures on non-core items.

In 2019/20, the estimated expenditure increases by 8 per cent from R330 million in 2018/19 to R355.1 million in 2019/20. Compensation of employees increases by 6 per cent from R113 million in 2018/19 to R120.1 million in 2019/20. The increase is due to estimated annual salary adjustments, employee benefits, funded vacancies and inclusion of political support staff and learner-ship programmes.

Goods and services increases by 18 per cent from R88 million in 2018/19 to R103.9 million in 2019/20. The increase caters for the Members' facilities following the next general elections and accommodates contractual obligations and operational costs such as security services, insurance, ICT, rent, municipal rates and taxes as well as other costs such as training and development, staff and Members bursaries.

Transfers to political parties increases from R121.6 million in 2018/19 to R126.4 million in 2019/20, representing an increase of 4 per cent.

Payments for capital assets decreases from R7.5 million in 2018/19 to R4.6 million in 2019/20. The 2018/19 expenditure estimate includes once-off projects, hence the budget reduction in 2019/20. The allocations cater for the replacement of staff members' obsolete laptops and the purchase of laptops for new members following the national general elections.

Over the MTEF, the overall expenditure increases by 5 per cent on average from R355.1 million in 2019/20 to R391.7 million in 2021/22 to augment against the effect of inflation.

PROGRAMME 4: CORE BUSINESS

Programme description

The purpose of the programme is to support the House and its Committees to make laws for the Gauteng Province, conduct oversight over the Executive and facilitate cooperative governance for aligned decision-making in the Province. Core Business also supports public participation in the operations of the legislature by the people of Gauteng, through public participation initiatives, ensuring that platforms are created for their effective participation.

Programme objectives

The programme operates in the area of Communications, Parliamentary Business and Information and Knowledge Management and the key functions are:

- To coordinate and drive the execution of the core mandate of the GPL;
- Effective and efficient coordination of support functions to the Committees and the House;
- Professional and procedural support to committees of the House;
- Develop and deliver strategic projects which are organized through directorates;
- Monitoring and evaluation of the key deliverables on law-making, oversight and public participation;
- Improve internal processes, inter-directorate planning, planning and accountability;
- Provision of research services to committees of the House and the GPL;
- Provision of analysis during oversight activities of the Legislature;
- Coordination of interface between the Legislature and the National Council of Provinces;
- Provision of legal services to committees of the House during national and provincial law making activities of the institution;
- Coordination of committee activities including scheduling (programming) of committee business;
- Coordination of interface between the office of the Speaker and committees of the House;
- Coordination of provincial law-making processes;
- To promote information and knowledge sharing to support GPL business processes, retention of institutional memory, and embedding of knowledge management to business processes that support the GPL mandate;
- Provides document management services to the House and committees, printing services, document registration services, interpretation translation services, recording of House and Committee proceedings, transcription services and provision of information services to support GPL business and Service Officers Services;
- Provide the Sergeant-at-arms function;
- Profile the GPL through Public education workshops; media; publications; branding/marketing/advertising; and
- To promote and facilitate public participation in all Legislative Processes.

TABLE 2.12: SUMMARY OF PAYMENTS AND ESTIMATES: CORE BUSINESS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Ed Core Business	124 371	133 083	142 135	164 125	164 125	166 369	177 429	191 318	206 444
2. Parliamentary Business	24 580	26 454	33 857	33 451	34 760	34 760	40 047	43 102	46 127
3. Information And Knowledge Management	11 852	13 912	15 754	19 609	18 300	16 056	16 597	17 058	19 496
4. Communication	25 345	29 350	32 925	41 909	42 187	42 187	41 058	42 701	43 550
Total payments and estimates	186 148	202 799	224 671	259 094	259 372	259 372	275 131	294 179	315 617

TABLE 2.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CORE BUSINESS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	186 148	202 799	224 671	259 094	259 372	259 372	275 131	294 179	315 617
Compensation of employees	118 701	131 307	141 091	162 302	162 302	162 302	176 183	190 004	205 058
Goods and services	67 447	71 492	83 580	96 793	97 071	97 070	98 948	104 175	110 559
Transfers and subsidies to:									
Provinces and municipalities									
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	186 148	202 799	224 671	259 094	259 372	259 372	275 131	294 179	315 617

Between the 2015/16 and 2017/18 financial years, the expenditure increased from R186.1 million to R224.7 million. Compensation of employees accounted for 64 per cent of the total expenditure due to an increase in staff complement and implementation of annual salary adjustments. The programme plays a crucial role in supporting the execution of the GPL constitutional mandate by providing professional support for the House and Committees, including facilitating communication and public participation amongst others, hence the large number of staff and high personnel costs. Similarly, goods and services expenditure accounted for 36 per cent of the total expenditure which is largely attributable to committees' activities and outreach programmes; public education workshops; House sittings; and the annual Opening of the Legislature.

During 2018/19, the budget was adjusted upwards from R259.1 million to R259.4 million, representing an increase of R278 000. The budget was increased to fund budgetary pressures in Public Outreach Programmes.

The estimated expenditure for 2019/20 increases from R259.4 million in 2018/19 to R275.1 million, representing an increase of 6 per cent. Compensation of employees will increase by 9 per cent, from R162.3 million in 2018/19 to R176.2 million in 2019/20. The increase can be ascribed to provision made for inflationary salary adjustments and benefits. In addition, goods and services increased by 2 per cent, from R97.1 million in 2018/19 to R98.9 million in 2019/20. The increase is minimal due to an anticipated reduction in committees' activities in preparation for the next general elections. Similarly, the budget includes committees' activities and outreach programmes; public education workshops; sector parliaments; public participation; along with other initiatives supporting committee activities including, but not limited to; radio and television broadcasts; advertorials; newsletters; and publications. In addition, the allocated budget includes NCOP (taking Parliament to the people); public hearings; Hansard outsourcing in support of House sittings and committee programmes, Voter education; and the opening of the Legislature.

Over the MTEF, the expenditure increases by 7 per cent on average from R275.1 million to R315.6 million to offset anticipated inflation-related expenses.

SERVICE DELIVERY MEASURES

PROGRAMME 4: CORE BUSINESS

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of Sector Oversight Model (SOM) imperative compliance reports produced	130	130	130	130
Percentage of committee enquiries conducted by the Legislature	100%	100%	100%	100%
Percentage of regulations processed by the House	100%	100%	100%	100%
Percentage of House resolutions communicated to the relevant Executives	100%	100%	100%	100%
Percentage of responses to House resolutions received referred to relevant House Committees	100%	100%	100%	100%
Percentage of Questions referred to the relevant Executives	100%	100%	100%	100%
Percentage of Questions placed on the Question Paper	100%	100%	100%	100%
Percentage of motions considered by the House	100%	100%	100%	100%
Percentage provision of records services to the Committees	100%	100%	100%	100%
Percentage provision of records services to the House	100%	100%	100%	100%
Number of petitions considered by the Legislature	120	120	120	120
Percentage increase in the people of Gauteng who participate in the business of the GPL	20%	25%	25%	25%
Percentage of Bills processed by the GPL	100%	100%	100%	100%
Number of studies conducted – assessment on law passed	1	1	1	1

PROGRAMME 5: OFFICE OF THE CFO

Programme description

The purpose of the programme is to provide professional financial, risk and supply chain management services to stakeholders for the realisation of the Institutional strategic goals and objectives. The Office strives to raise financial resources equitably to ensure adequate funding for the implementation of the Institutional strategic plan whilst promoting effective financial management in respect of revenue, expenditure, assets and liabilities.

The Office promotes effective and efficient management of all financial resources through the implementation of best business practices by linking strategic planning, budgeting and reporting. The Office is also responsible for ensuring continuous implementation of all relevant financial legislation to enhance the fiscal stability, accountability and integrity of the GPL.

Programme objectives

- To coordinate and prepare reports on the implementation of the Institutional strategic plan and budget;
- Execution of payroll for both members and staff in line with relevant acts and policies on prescribed dates;
- Ensuring a three-year internal audit plan is approved by the Audit & Risk Committee and executed within the respective timeframes,
- Ensuring that an annual external audit plan is approved by the Audit and Risk Committee and that external audit reports are finalised within five months after the financial year-end in pursuance of an unqualified audit opinion; and
- Ensure the implementation of effective fraud prevention plans through the implementation of the Anti-fraud and Corruption Policy and the Fraud Prevention Plan.

TABLE 2.14: SUMMARY OF PAYMENTS AND ESTIMATES: OFFICE OF THE CFO

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Chief Financial Officer	34 473	39 530	41 140	46 785	46 785	46 785	49 981	53 277	57 170
2. Finance	127	239	186	476	543	543	539	589	621
3. Supply Chain Management	2 236	1 875	10 153	7 722	7 722	7 722	7 936	8 704	9 182
4. Audit, Risk And Governance	1 289	1 079	1 838	1 450	1 383	1 383	1 879	1 999	2 109
Total payments and estimates	38 125	42 723	53 317	56 433	56 433	56 433	60 335	64 569	69 082

TABLE 2.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: OFFICE OF THE CFO

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	36 897	41 183	48 177	54 726	54 726	53 185	59 305	62 999	67 426
Compensation of employees	31 255	33 655	35 943	43 365	43 365	42 137	44 254	47 632	51 215
Goods and services	5 642	7 528	12 234	11 361	11 361	11 048	15 051	15 367	16 211
Transfers and subsidies to:									
Provinces and municipalities									
Households									
Payments for capital assets	1 228	1 540	5 140	1 707	1 707	3 248	1 030	1 570	1 656
Buildings and other fixed structures									
Machinery and equipment	1 228	1 540	5 140	1 707	1 707	3 248	1 030	1 570	1 656
Software and other intangible assets									
Payments for financial assets									
Total economic classification	38 125	42 723	53 317	56 433	56 433	56 433	60 335	64 569	69 082

The expenditure increased from R38.1 million to R53.3 million between the 2015/16 and 2017/18 financial years. The major portion of the expenditure resulted from compensation of employees, which accounted for 75 per cent of the total expenditure. Goods and services accounted for 19 per cent due to payment of internal and external auditors, valuation of GPL artwork and impairment of assets. Capital payments incurred, which accounted for 6 per cent of the total expenditure, were for the procurement of office furniture in line with the increasing number of new employees in the Institution.

During 2018/19, the expenditure is expected to increase on capital assets and decrease in compensation of employees. The increase in capital assets is due to procurement of replacement laptops for Members. The replacement was due in 2018/19 but was deferred to prioritise emerging capital projects. Compensation of employees decreased due to vacant positions.

The 2019/20 expenditure increases by 7 per cent from R56.4 million in 2018/19 to R60.3 million. The increase is mainly as a result of compensation of employees that will increase from R42.1 million in 2018/19 to R44.3 million in 2019/20, representing an increase of 5 per cent. The increase provides for annual salary increases and benefits. Goods and services will increase from R11 million in 2018/19 to R15.1 million in 2019/20. The allocation includes internal and external audit fees, the business continuity plan and assets impairments. Capital assets decreases from R3.2 million in 2018/19 to R1 million in 2019/20 due to decentralisation of procurement of capital assets (i.e. laptops and desktops) to Programme 3: Corporate Support Services. The 2019/20 capital budget is earmarked for office furniture over the MTEF.

Over the MTEF, the expenditure increases by 5 per cent on average from R60.3 in 2019/20 million in 2019/20 to R69.1 million in 2021/22 to mitigate the impact of inflation.

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 2.16: PERSONNEL NUMBERS AND COSTS: GAUTENG PROVINCIAL LEGISLATURE

R thousands	Actual				Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF				
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22		
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																	
1 – 6																	
7 – 10																	
11 – 12																	
13 – 16																	
Other	493	258 011	487	280 869	520	310 273	526	355 657	519	382 427	519	411 400	519	443 071	(0%)	8%	100%
Total	493	258 011	487	280 869	520	310 273	526	355 657	519	382 427	519	411 400	519	443 071	(0%)	8%	100%
Programme																	
1. Leadership And Governance	25	14 584	21	15 464	22	19 321	29	22 256	29	25 839	29	27 689	29	29 648	0%	10%	7%
2. Office Of The Secretary	13	9 503	12	11 004	16	12 378	17	16 006	17	16 005	17	17 115	17	18 310	0%	5%	4%
3. Corporate Support Services	179	83 968	190	89 439	202	101 540	201	112 956	190	120 146	190	128 960	190	138 840	(2%)	7%	31%
4. Core Business	223	118 701	214	131 307	226	141 091	226	162 302	229	176 183	229	190 004	229	205 058	0%	8%	46%
5. Office Of The Cfo	53	31 255	50	33 655	54	35 943	53	42 137	54	44 254	54	47 632	54	51 215	1%	7%	12%
Total	493	258 011	487	280 869	520	310 273	526	355 657	519	382 427	519	411 400	519	443 071	(0%)	8%	100%

In ensuring that each programme is fully capacitated to effectively execute the core mandate of the Institution, the number of personnel employed by the GPL has increased over the years from 493 in 2015/16 to 520 in 2017/18. In 2018/19, the staff compliment is currently 526 and decrease to 519 over the MTEF period. The number of staff depicted in the table above includes both GPL employees and political parties' support staff.

The number of staff employed in Programme 4: Core Business has increased from 179 in 2015/16 to 226 in 2017/18 or as at 31 March 2018. The programme supports the House and committees for the implementation of the core mandate of the Institution. Similarly, Programme 3: Corporate Support Services depict a growing staff compliment since 2015/16. Their personnel include the political parties support staff. Programme 3: Corporate Support Services provides administrative support to the Institution such as ICT, human resources, management of Members' facilities, security and maintenance.

The Institution will also continue to fast-track the process of filling all critical and funded vacant positions that already form part of the structure. Similarly, the increase in compensation of employees caters for the annual salary increases, pay progression, performance bonuses and funeral benefits.

9.2 Training

TABLE 2.17: INFORMATION ON TRAINING: PROVINCIAL LEGISLATURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	493	487	520	526	526	526	519	519	519
Number of personnel trained	400	400	414	418	418	418	425	435	435
of which									
Male	200	190	190	190	190	190	190	190	190
Female	200	210	224	228	228	228	235	245	245
Number of training opportunities	280	383	423	424	424	424	440	458	458
of which									
Tertiary	80	145	148	149	149	149	150	152	152
Workshops	200	203	240	240	240	240	253	267	267
Other		35	35	35	35	35	37	39	39
Number of bursaries offered	80	85	85	85	85	85	90	95	95
Number of interns appointed	25	25	32	32	32	32	32	32	32
Number of learnerships appointed	10			20	20	20	20	20	20
Number of days spent on training	300	250	250	250	250	250	264	279	279
Payments on training by programme									
1. Leadership And Governance	194	101	194	194	194	194	200	211	223
2. Office Of The Secretary	117	44	117	117	117	117	121	127	134
3. Corporate Support Services	1 164	657	1 200	1 700	1 700	1 700	1 751	1 847	1 949
4. Core Business	1 939	466	2 000	2 892	2 892	2 892	2 950	3 112	3 283

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
5. Office Of The Cfo	466	193	500	500	500	500	510	538	568
Total payments on training	3 880	1 461	4 011	5 403	5 403	5 403	5 531	5 835	6 157

The number of bursaries offered during the outcome period increased from 80 in 2015/16 to 85 in 2017/18 to improve both skills and competence of staff and Members of the Legislature. The number of bursaries will increase to 90 in 2019/20 and to 95 in 2020/21 and 2021/22. They will be awarded to registered employees and Members to accommodate the increasing demand for financial assistance.

The number of interns over the 2018/19 period is 32, remaining the same over the MTEF period, in line with the policy. The interns will be allocated across all programmes and in various fields to create an opportunity for practical work experience and to broaden their knowledge. The internship programme is offered for a period of two years and will continue to contribute to youth skills development initiatives. Similarly, the GPL will provide learnership opportunities from 2019/20 and over the MTEF to promote a structured learning environment for undergraduates who need to gain theoretical knowledge and practical skills in the workplace to obtain their qualifications.

The Institution has spent a total amount of R9.4 million on staff training over the outcome years. Of this total amount spent, 2017/18 saw the highest number of staff being trained, accounting for the larger portion of tuition payments. Notably Programme 4: Core Business accounted for 47 per cent of expenditure in 2015/16 and is followed closely by Programme 3: Corporate Support Services at 32 per cent for the same period. This could be attributable to the greater number of staff employed in both programmes, as well as payment of tuition for Members and Political Support staff training who are in Programme 3: Corporate Support Services. Both programmes also account for the major portion of funds spent on training in 2016/17.

During 2018/19, the GPL continued to invest in skills development by increasing the budget for training to R5.4 million from R4 million in 2017/18. The increase can also be attributed to an increase in tertiary education enrolment by staff members. In 2019/20, the budget allocated to training and development is expected to increase to R5.5 million to enhance the knowledge and competency levels of members and staff. More than half of this budget can be ascribed to both Programme 3: Corporate Support Services and Programme 4: Core Business, to ensure that members are fully capacitated and trained on areas of law-making, oversight and public participation.

9.3 Reconciliation of structural changes

N/A.

VOTE 3

DEPARTMENT OF ECONOMIC DEVELOPMENT

To be appropriated by vote in 2019/20	R 1 581 240 000
Responsible Executing Authority	MEC for Economic Development
Administering Department	Department of Economic Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

A radically transformed, modernised and re-industrialised economy in Gauteng, manifesting decent work, economic inclusion and equity.

Mission

The mission of the Department of Economic Development (DED) is to:

- Ensure radical transformation, modernisation and re-industrialisation of the Gauteng economy;
- Provide an enabling policy and legislative environment for equitable economic growth and development;
- Develop and implement programmes and projects that will:
 - Revitalise Gauteng’s township economies;
 - Build new smart, green, knowledge-based economy and industries;
 - Ensure decent employment and inclusion in key economic sectors;
 - Facilitate radical economic transformation, modernisation and re-industrialisation;
 - Include the marginalised sectors of women, youth and persons with disabilities in mainstream economic activities; and
 - Establish appropriate partnerships for delivery and ensure that DED effectively delivers on its mandate.

Strategic Goals

The strategic outcome oriented goals of DED are to:

- Transform Gauteng’s economy radically;
- Re-industrialise Gauteng’s economy; and
- Capacitate the department for efficient and effective delivery.

Core functions and responsibilities

- Revitalisation of township economies;
- Increase the participation of small, medium and micro enterprises (SMMEs) and cooperatives (coops) in the Province’s mainstream economy;
- Support the growth and development of the 11 identified sectors (agro processing, automotive, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction, real estate, finance and mineral beneficiation);
- Provide research-based information to support planning, decision-making and optimal resource utilisation in respect of radical economic transformation and re-industrialisation interventions;
- Provide transversal, centralised and collaborative provincial strategic economic infrastructure projects;
- Facilitate trade and investment towards the radical transformation, modernisation and re-industrialisation of Gauteng’s economy;
- Promote and stimulate the demand for Gauteng as a destination of choice among domestic and international visitors (destination marketing, bidding, hosting and visitor services); and Promote the socio-economic development and competitiveness of Gauteng in targeted sectors through innovation

Main services

Enterprise Development

- Include SMMEs, township enterprises and cooperatives in the value of the 11 identified sectors;

- Build the capacity of SMMEs, township enterprises and cooperatives to participate in mainstream economic activities; and
- Revitalise and modernise township economies.

Regional and Local Economic Development

- New, smart, green, knowledge-based economy and industries;
- Green technologies, processes and industries;
- Township economies; and
- Energy security and project management support.

Trade and Investment Promotion

- Attract domestic direct investment (DDI) and foreign direct investment (FDI);
- Increase trade, investment and export opportunities in Africa and globally; and
- Invest in strategic economic infrastructure.

Sector Development

- Support high-growth, competitive and labour-absorbing sectors;
- Support local manufacturing;
- Stimulate competitiveness and the transformation of identified sectors;
- Radically transform the energy sector;
- Revitalise and modernise old industries; and
- Support tourism and the creative industries.

Liquor affairs

- Effective governance and regulation of the liquor industry;
- Ensure ethical business practice and empowered stakeholders;
- Promote and maintain an effective and efficient regulatory system for the liquor industry;
- Maximise the benefits derived from the liquor industry and minimise its potential negative impact; and
- Generate revenue from the industry and the regulation services offered for socio-economic development of the province.

Consumer affairs

- Ensure awareness of consumer rights through education and awareness programmes;
- Ensure consumer protection and compliance by business with applicable consumer legislation; and
- Provide secretarial support to the Consumer Affairs Court.

National Development plan (NDP)

The NDP is the major blueprint for government and society at large. It aims to eradicate poverty and unemployment and build a national democratic society that is socially inclusive by 2030. The NDP gives birth to the Medium Term Strategic Framework which identifies significant actions to be prioritised in the first five years of the NDP. The NDP assumes that about 90 per cent of jobs in 2030 will be created through SMMEs. This presents an opportunity for Gauteng to create and develop productive and manufacturing skills to produce decent and sustainable jobs. The department will continue its efforts to develop and increase Gauteng's Provincial Supplier Development database to enhance SMME participation in the economy so that they benefit from the 30 per cent set aside for township businesses. There will be a strong focus on products designated for township businesses (bakery, meat and milk products).

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation (TMR)

Gauteng Provincial Government (GPG) has adopted a 10 Pillar Programme to ensure radical socio-economic transformation of the province. The Gauteng Department of Economic Development (GDED) supports the following seven TMR pillars:

- Pillar 1: Radical economic transformation;
- Pillar 2: Decisive spatial transformation;
- Pillar 4: Transformation of the state and governance;
- Pillar 5: Modernisation of the public service;
- Pillar 6: Modernisation of the economy;
- Pillar 9: Re-industrialisation of Gauteng; and
- Pillar 10: Taking the lead in Africa's new industrial revolution.

Acts, rules and regulations

- National Tourism Act No. 24, 2014;
- National Tourism Sector Strategy 2011;
- Consumer Protection Act, 2008 ;
- Gauteng Tourism Act No. 3, 2006;

- Gauteng Enterprise Propeller Act, 2005;
- National Credit Act, 2005;
- National Environmental Management: Biodiversity Act, 2004;
- National Environmental Management: Protected Areas Act, 2003;
- Gauteng Liquor Act, 2003;
- National Protected Areas Act, 2003;
- Blue IQ Investment Holding Act, 2003;
- Gauteng Gambling Act, 1995, 1996, 2001;
- Engineering Professions Act, 2000;
- Promotion of Access to Information Act, 2000;
- Administration of Justice Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Municipality Systems Act, 2000;
- Public Finance Management Act (PFMA), 1999;
- National Heritage Resource Act, 1999;
- Skills Development Act, 1998;
- Employment Equity Act, 1998;
- National Water Act, 1998;
- Convention Concerning the Protection of the World Cultural and Natural Heritage (adopted 1997);
- Intergovernmental Fiscal Relations Act, 1997;
- Extension of Security of Tenure Act, 1997;
- Gauteng Consumer Affairs (Unfair Business Practices) Act, 1996;
- Constitution of the Republic South African Act 108 of 1996;
- Restitution of Land Rights Act, 1994;
- Public Service Act, 1994;
- Business Act, 1991;
- Environment Conservation Act, 1989;
- Nature Conservation Ordinance, 1983; and
- Conservation of Agricultural Resources Act, 1983.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

BUSINESS REGULATION AND GOVERNANCE

Consumer Affairs

The main function of Consumer Affairs (CA) is to ensure cognisance of consumer rights through education and awareness programmes, educational media campaigns, consumer protection and compliance of business with applicable consumer legislation as well as to provide secretarial support to the Consumer Affairs Court.

Education programmes: A total of 84 outreach activities were conducted against a target of 70. This was made up of 50 workshops/presentations and 34 exhibitions. The main campaigns for the quarter under review included Elderly Month, Disability Month, GPG Financial Wellness Days and the Spend Wisely Campaign.

Several workshops and exhibitions, targeted at empowering the elderly and disabled people by educating them about their consumer rights and responsibilities, were conducted in Carltonville, Merafong, Tembisa and Ekurhuleni. Grade 7 and 9 Olympiad 2018 finals were held in Randfontein High School and Glenanda Primary School. The Soul Buddies Competition took place in Vereeniging, including the annual Constitutional Hill Debating League.

Proactive Investigations: A total of 33 proactive investigations were conducted against a target of 30. The number of proactive investigations conducted was motivated by the demand and need for retail suppliers to be made aware of the Consumer Protection Act and their expected compliance. Furthermore, 15 investigations were conducted in the retail industry in the City of Johannesburg and a total of 18 investigations were conducted in the Johannesburg CBD.

Gauteng Liquor Board (GLB)

The GLB's main function is to ensure effective governance and regulation of the liquor industry, ensure ethical business practice, empower stakeholders, promote and maintain an effective and efficient regulatory system for the liquor industry, maximise the benefits derived from the liquor industry, minimise the potential negative impact, generate revenue from the industry and regulate services offered for socio-economic development in Gauteng.

A total of 2 201 compliance inspections were conducted in the quarter under review against a planned target of 2 767. The total revenue collected for quarter three amounted to R17.3 million against the target of R17.5 million. The target was

partially achieved as it had a number of external dependencies dictated by the economic outlook. In terms of compliance, the board is ensuring that fines and penalties are levied to licence holders that are contravening the Act.

A total number of 65 liquor awareness activities were conducted against a planned target of 60 awareness activities. This is attributed to the collaboration established with the industry partners, social cluster departments and various stakeholders who are focused on creating awareness for responsible drinking, responsible trade and redressing the ills of alcohol abuse. One social responsibility event was conducted and the target was achieved as planned. This is attributed to the partnerships formed with Gauteng Liquor Board stakeholders as well as the planning and resources set aside for the social responsibility programmes.

Sector and Industry

Manufacturing

The Gauteng Technical Manufacturing Initiative (GTMI) is a dedicated development initiative that aims to provide onsite technical skills and business support to SMMEs involved in the manufacturing sector. A total number of 88 SMMEs were supported through the enterprise development programme and related support interventions in the period under review.

Economic Planning

The strategic purpose of economic planning is to provide economic insights and thought leadership. As part of providing insights, the Econometric Modelling and Forecasting Unit has built economic output and employment models which are being used to project the trajectory of economic growth and employment. Key deliverables for the financial year included two impact studies on the influence of procurement on employment and the effect of financial and non-financial support on SMME growth. The flagship project (Gauteng Macroeconomic Modelling and Capacity Building Programme) has commenced and will continue until 2020/21. The project will inform and enhance the implementation of the Gauteng City Region Economic Development Plan (GCR EDP) going forward.

In terms of the provision of accurate and up-to-date economic data, information and intelligence for decision-making, the Economic Research and Knowledge Management Directorate compiled Gauteng Economic Barometer reports and Economic Insights to keep decision makers abreast of developments within the global and local economies. The Economic Planning Branch continued to roll out township enterprise surveys to unpack the nature and dynamics of township economy. These surveys employed the youth residing in the surveyed townships as enumerators to collect data and to acquire skills on data manipulation. To this effect, enterprise surveys have been successfully undertaken in Duduza, Kwa-Thema, Tsakane, Tembisa, Toekomsrus, Lebanon, Glenharvie, Zuurbekom, Waterworks, Ezulwini, Bekkersdaal and Simunye between 2016/17 and 2018/19.

Inclusive Economy

The Inclusive Economy Unit facilitates and coordinates the empowerment of previously disadvantaged individuals and communities, supports the establishment of a viable and sustainable cooperatives sector in the province that contributes positively to economic growth as well as creates decent work, mobilises, aligns, coordinates and capacitates local economies towards enhanced and sustainable regional economic development and integration.

The department collaborated with the Office of the Premier (OOP) to undertake a comprehensive impact evaluation of the Township Economy Revitalisation Strategy to track whether townships are transforming into places where people can work, live and play, i.e. productive centres. The implementation of the Township Economy Programme (TER) is continuously being coordinated through the TER Intergovernmental Working Committee.

Programmes being implemented to create a conducive environment for viable township enterprises included cooperative banks growth, and modernisation programmes and consumer cooperatives. The department continued to assist registered and non-registered Cooperative Financial Institutions (CFIs) through technical training and workshops as well as coaching and mentoring.

Gauteng Enterprise Propeller (GEP)

The GEP continued to drive interventions aimed at promoting the growth and sustainability of SMMEs and cooperatives with a view to enhance their level of participation in the Gauteng economy. Central to this, it is GEP's role to strengthen capacities of the marginalised informal businesses, mainly in the townships, to propel them into the mainstream economy and position SMMEs and cooperatives as key drivers of economic growth and employment creation, especially given the advent of the Fourth Industrial Revolution as well as the challenges and opportunities it poses to small enterprises.

A total of 1 701 SMMEs in the prioritised sectors were supported through non-financial business development support interventions. The planned annual target of 1 500 was exceeded. A total number of 179 cooperatives benefited from non-financial support targeted at enhancing the investment readiness levels of beneficiaries in the prioritised sectors. This will increase the capacity of cooperatives and ensure they graduate from a position of high dependency on government funding to become investment ready organisations that can be provided with the financial support necessary to transition into the

mainstream economy. This will further increase their access to various markets, developmental finance institutions and other potential funders.

In response to the high levels of youth unemployment, GEP has hosted several Youth Pitching Booster Workshops targeting key sectors such as construction, clothing, textiles and manufacturing, which exposed 309 SMMEs to business skills development support interventions, mentorship and access to market opportunities.

The Youth Accelerator Programme, which is the GEP's contribution to the Provincial Tshepo 1 million Programme, has provided training to 142 unemployed youth and 606 were afforded on the job experience through placements. This has enabled the agency to positively contribute towards addressing the provincial youth unemployment challenges while - at the same time - enhancing the growth potential and capacity of township entrepreneurs.

The GEP also provided financial support to 215 SMMEs, in line with the TER Strategy, to support enterprises based in townships. These businesses were funded through loans as well as the Community Fund and Township Business Renewal Programmes aimed at providing support to start-up and existing township small businesses.

Gauteng Tourism Authority (GTA)

The mission of the GTA is to be a leading destination marketing organisation for inclusive tourism growth in Gauteng, by implementing destination-promotion projects that will maximise the contribution of tourism in the economy by:

Growing the international tourism markets;

- Enhancing visitor experience;
- Generating revenue;
- Growing business events industry;
- Growing number of visitors; and
- Improving visitor services and offering.

The GTA has signed two memorandums of agreement with strategic partners in destination marketing, namely Mozambique and China. The agreement between the Gauteng and Mozambique strategically positions the GTA to have opportunities to share and learn destination marketing best practices with Mozambique, especially Convention Bureau and Events and vice versa. The agreement between Gauteng and China position the GTA to have opportunities to work with China's tourism local representative known as Winery of the Collaborative Testing Services (CTS), a government-owned Chinese Tour Operator.

In its quest for destination marketing, the GTA continued with its media relations programme with a view to generate content that inspires tourists to travel to Gauteng. To date, the authority has hosted groups of international and local journalists on tours and at events including World Choir Games, Basha Uhuru, Soweto Wine Festival media launch, Maboneng Award Celebration, DSTV Delicious Food and Music Festival, and Standard Bank Joy of Jazz. Three media partnerships were implemented against a target of four.

Sixty-five events, out of a target of seventy-four, were supported. Of the sixty-five supported events, five were regional incubated events, five signature events, six township events, and forty-nine Meeting, Incentives, Conferences and Exhibitions (MICE) events. The events generate rand value, jobs and give platform to SMMEs to showcase their products and experiences. Preliminary reports show that R906 million and 8 112 jobs were generated with 25 per cent jobs allocated to youth and 47 per cent to women.

Exposure of Gauteng as a destination of choice, including its products and experiences, to travellers and tourists is meant to encourage increased foot traffic leading to increased spend and direct economic growth. Travel packages and market exposure is meant to influence positive travel for Gauteng. Through leisure projects, Gauteng was promoted to 14 key international source markets against the annual target of 39. The agency promotes Gauteng by travelling to their destinations to participate in trade shows, leisure exhibitions, events as well as through a partnership with Department of International Relations and Cooperation (DIRCO) and South African Tourism (SAT). Through exhibitions, trade shows, events, and media and digital marketing, GTA has promoted 199 township products against an annual target of 250.

GAUTENG GROWTH AND DEVELOPMENT AGENCY (GGDA)

Automotive Industry Development Centre (AIDC) skills development and training programme

The Supplier Park Development Company (SPDC), trading as AIDC, was established to support the automotive industry in Gauteng through the provision of economic infrastructure and sector development interventions. The Automotive Supplier Park (ASP), the Winterveldt Enterprise Hub, the incubation centres in Silverton and Rosslyn, the Gauteng Automotive Learning Centre (GALC) and the Incubation Centres in Silverton and Rosslyn are some of the infrastructure projects developed. A total of 3 366 people were trained.

AIDC Supplier Efficiency Programme

The objective of this programme is to improve the competitiveness of companies in the Gauteng automotive component industry and related industries to enable them to participate at an international supply chain level. The programme is aimed at addressing key issues of quality, cost reduction, productivity improvement and manufacturing/supply stability. A total number of 25 companies that were recruited in the previous financial year continued with the programme and 25 gap analyses for these companies were completed.

Winterveldt Enterprise Hub (WEH)

The aim of this project is to train and mentor SMMEs from the Winterveldt area to enable them to grow their businesses into entities that possess the required accreditations. As at the end of the third quarter, 60 vehicles were repaired compared to the planned target of 20. A process to restore confidence in the hub has been initiated.

The Innovation Hub (TIH)

The TIH was established with a view to enhance the development of smart industries (high-technology sectors) in Gauteng. The primary sectors for TIH are information and communications technology, biosciences and green economy (renewable energy and low-carbon-economy technologies). A secondary sector is industrials which addresses innovations falling outside the primary sectors.

TIHMC Enterprise Development programmes consist of incubation programmes, the Maxum Incubator, the Climate Innovation Centre (CIC) and Mobile Laboratory (MLab). These programmes offer incubation support to entrepreneurs to develop sustainable businesses. The short-term outcome expected from these programmes is the increased number of commercialised innovations within TIHMC's targeted sectors, with the intent to enable the entrepreneurs to form sustainable businesses that create knowledge-based jobs.

Commercialisations

During the period under review, the incubation programme offered support to attain sustainable and high-growth enterprises. A total number of 42 companies were provided with commercialisation support, in other words with investment readiness, access to market and the opportunity to sell their products locally and outside the South African borders. These companies were assisted with training for investment readiness, linkages and networks. There are existing MoUs signed with the research and academic institutions in Gauteng. The TIHMC has also created platforms with research councils of various universities to interact with them on matters of research and commercialisation. These agreements with the universities envisage that the TIHMC will provide commercialisation support for the research outputs emanating from these institutions. The research institutions near the TIHMC Science Park also provided infrastructure space, e.g. laboratory and technical facilities for the start-up companies in incubation.

Exported technologies

At the end of the reporting period, five technologies produced by incubated companies were exported.

Graduations

A total of six companies demonstrated sustainable cash flow in the past nine months and were graduated from Maxum Core Incubation.

Open Innovation pilot projects

The Open Innovation Solutions Exchange Platform is the TIHMC's answer for engaging the open innovation market to find solutions for challenges posed by regional innovation seekers (government, academia, large and small business and community), including a window for innovations for markets. One contract for a pilot project is a water-recycling system project for a clinic in Cullinan that was concluded.

EkasiLabs

The eKasi Labs Programme is the TIHMC's vehicle to promote the culture of innovation and entrepreneurship in the townships in line with the TER. The programme focuses on new innovative output as well as innovative entrepreneurship in communities through business incubation. During the period under review, 68 start-ups were recruited across the various labs.

Skills Development

CoachLab

This is leadership development programme for ICT post-graduates aimed at bridging the gap between academia and the demands of industry. The objective of CoachLab is to instil the business principles and the value of innovative and entrepreneurial thinking among the participating post-graduate students through mentorship by programme partners. The curriculum includes personal, leadership and professional development. The participants of the leadership development programme were introduced to the project-based learning to be exposed and apply the project management principles in a real-time project environment.

The TIHMC and State Information Technology Agency (SITA) signed a MoA to the value of R15 million in support of the CoachLab Programme for the development and empowerment of the youth over the next three years. These programmes

are aimed at developing unique and scarce skills to bridge the gap between academia and the business world. A total of 91 youth were recruited on the CodeTribe Programme.

Industry Exposure Internship Programmes

The programme is aimed at unemployed graduates who require experience to enhance their acquired knowledge or wish to improve their current skills. The internship programmes are offered over a 12-month duration by providing high-quality exposure.

A total of 33 youth were recruited into the Coachlab Programme and the internship programme and 124 youth were exposed to the workplace skills development interventions.

Nissan Incubation Centre

The AIDC Nissan Simulator, located at Nissan SA, is being operationalised. The successful six incubates underwent various training initiatives to devote full attention to the components they produce and dispatch to the production line.

Bio Park Facility Project

The aim of the Biosciences Park is to provide a nurturing environment for biotechnology start-ups to develop, thrive and eventually become important commercial players and contribute to economic growth. Funding for the Bio Park Facility Phase was confirmed during the first quarter of 2018/19. The procurement of the qualifying contractor was concluded with the preferred bidder appointed and site planned for handover in the fourth quarter.

Industrial Development Zone (IDZ)

The Gauteng IDZs implementation is focused on the rollout of phase 1 and implementation is underway. Funding for the superblock was confirmed during the reporting period and the procurement process for the appointment of the construction contractor was successfully concluded. The expansion phase focuses on the identification of opportunities within the airfreight value chain with linkages to the Aerotropolis Development Framework developed for the Eastern Corridor of the province.

JMP Bulk Infrastructure

The Gauteng IDZ is presently developing, a High Value Low Mass Precinct (formerly the Jewellery Manufacturing Precinct - JMP) on the identified land within the OR Tambo International IDZ. Bulk infrastructure construction for Greenfield development reached 97 per cent completion during the FY 2017/18 and a contractor replacing the firm that repudiated/terminated the contract was appointed to complete the job by the end of the current financial year.

Trade and Investment Facilitation

Foreign Direct Investment (FDI)

The annual target for FDI for 2018/19 financial year has increased by R500 million from the previous year and now stands at R3 billion. At the end of the reporting period, one FDI - to the value of R1, 638 million - was successfully concluded.

Domestic Direct Investment (DDI)

In terms of DDI facilitation, the annual target has also been increased by R500 million to R2 billion for 2018-19 financial year and one investment valued at R780 million was concluded.

Gauteng Investment Centre

The Gauteng Investment Centre (GIC) is successful in promoting its offerings to the attention of the various foreign agencies and embassies that seek to work closely with the GGDA especially to create access for businesses originating from their countries keen on doing business in the province. By the end of the reporting period, a total number of 2 475 clients made use of the services at the GIC.

Export Development

The unit's export Development's objective is to diversify the export basket and introduce new companies to exporting. Export development training took place and 238 companies were successfully enrolled and trained against a planned target of 195.

Cradle of Humankind World Heritage Site (COHWHS)

The aim of the COHWHS is to create employment and regional economic development using science, conservation and tourism as economic drivers aimed at alleviating poverty and stimulating the economy. In the third quarter, COHWHS facilitated collaboration with the Nairobi National Museum on scientific research, community beneficiation and the tourism visitor economy with regards to paleoanthropological sites, developed the Integrated Management Plan (IMP), conducted land-use assessment and initiated a process that will lead to the introduction of public transport to Maropeng. In addition, a socio-economic impact assessment study has been undertaken to assess the impact the COHWHS has made in the nearby communities and the final report was completed.

Dinokeng Project

The aim of the Dinokeng Entity is to develop the North-Western Region of Tshwane through the promotion of tourism. The Dinokeng Entity provides operational support to the Dinokeng Game Reserve (DGR) which in turn has undertaken various operational activities that created and sustained 626 jobs for the local communities. The entity appointed a service provider to facilitate a wide variety of support to 10 cooperatives at Dinokeng.

Gauteng Gambling Board (GGB)

The Gauteng Gambling Board is entrusted with the mandate to regulate and control gambling in the province with a view to promote ethical business conduct, inclusive economy, revenue generation for the fiscus and the promotion of responsible gambling. Through Corporate Social Investment (CSI) and Sports Development Fund (SDF), the GGB is able to provide the financial support to initiatives that sought to resolve the socio-economic problems and challenges faced by the residents of the Gauteng Province. The actual spend on CSI for the financial year 2018 amounted to R4.4 million and R24 million in the previous financial year. For the eradication of illegal gambling, initiatives were funded through the operational expenses and amounted to R2.9 million. These initiatives included illegal investigations and gambling legislation enforcement costs.

The board managed to break new ground by achieving tax collections of more than R1 billion for the first time since inception. Thereby, the funding towards the achievement of government's initiatives was ensured. Overachievement is recorded in relation to the number of people reached with responsible gambling messages. Through social media, 1 418 116 people were reached during the period under review. The campaign to create awareness of illegal gambling and communicate responsible gambling messages remains a priority.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

BUSINESS REGULATION AND GOVERNANCE

Consumer Affairs

Consumer Affairs will be commencing new projects in consumer education. In Gauteng public schools, learners in grades 7, 8 and 9 will access updated learner resource material in the form of an e-booklet or e-resource to enhance Departmental efforts of inculcating the culture of consumer protection in schools. The e-resources update and development will spread over the MTEF period in phases covering grades 10, 11 and 12 in the outer years. These programmes will improve the level of understanding of consumer protection legislation in schools through initiatives such as Consumer Education for Young Entrepreneurs for grades 7, 8 and 9. To achieve the education and outreach programmes, compliance-monitoring inspections of small businesses and pro-active investigations will continue to ensure compliance with the consumer protection legislation. This will increase consumer satisfaction and ensure a conducive environment to increase the participation of SMMEs and cooperatives in the province's mainstream economy. Proactive investigation of complaints has proven to be an effective method of ensuring compliance with consumer protection legislation. This method will continue to ensure that the residents of Gauteng are adequately protected without necessarily waiting for consumers to lodge complaints. In addition to the continued resolution of complaints, the turnaround time is fixed at 60 days per complaint.

Gauteng Liquor Board

The Gauteng Liquor Board will continue with the task of attaining a properly regulated liquor industry through its compliance and enforcement programmes, education and awareness activities, licence renewal and the board adjudication process. These programmes will continue to be reviewed and repositioned to meet the entity's mandate as given by the Gauteng Liquor Act No. 2 of 2003 and by both the Provincial and National policy frameworks. Revenue collection and revenue management strategies remain central to the future of the entity and the move towards being self-sustainable. The entity will simplify its renewal process in an attempt to enhance the revenue collection through the amendment of the Act. The database remains central to the entity's revenue. Attaining a credible database will continue to be prioritised in the 2019/20 financial year.

Licence holders will be trained on their licence conditions when a new licence is granted. This will contribute towards responsible trade, responsible drinking and will reduce underage drinking in the long term. The finalisation of the amendments to the Gauteng Liquor Act and the management of shebeen sector will be prioritised in the 2019/20 financial year as this will further contribute towards creating a compliant environment and increase revenue collection. Furthermore, the entity will spend the new financial year complying with the Constitutional Court directive to provide a solution to the permit holders. The entity will see finalisation of its Physical Verification Project, the full implementation of GLB Automation system and Records Management projects. Migration to an automation system environment will augment the various process that have been put in place to ease the cost of doing business. Automation will modernise the GLB processes, enhance the potential for revenue collection and will contribute towards the creation of a credible database.

Compliance and enforcement will continue with its regulatory function through its compliance and enforcement role. The unit will continue to implement its compliance and enforcement plans to achieve a regulated industry. Partnerships with the

National Liquor Authority, Liquor Traders associations, law and enforcement agencies will be expanded in the new financial year to fight non-compliance by the liquor industry. In addition to scheduled routine inspections, pre-inspections, complaints investigations, joint monthly operations will be conducted targeting areas which have high incidents of non-compliance. Trends analysis will play a pivotal role in the implementation of compliance and enforcement function and multiple-pronged approached to areas categorised as non-compliant.

Sector and Industry

Manufacturing

The Gauteng Technical Manufacturing Initiative (GTMI) will concentrate on Gauteng's existing pool of industrial experience and skilled people to support approximately 120 technical manufacturing SMMEs which were evaluated and accepted into the technical manufacturing enterprise development programmes.

In line with Industry 4.0 (the fourth industrial revolution), the digitisation of manufacturing, projects undertaken will be in partnership with industry development agencies as well as technology and enterprise development entities.

The projects will be within the following industries:

- Advanced Photonics;
- Composites;
- Bio-Manufacturing; and
- Green technologies.

Chemicals, Plastics and Pharmaceuticals

• *Chemical Sector*

The Phase 1 implementation of the project will be implemented in the Eastern Corridor at Chemin's Modderfontein and Tembisa Chemicals Incubator facilities. It is expected that 150 SMMEs will be supported by the incubator programmes through the training programme and 50 new SMMEs will be created. The plan for the upcoming quarter is to finalise the site at the West Rand and Sedibeng Municipality to roll out phase 2 of the Chemicals and Pharmaceuticals Incubation Programme. Site visits are planned and implementation programme agreements are drafted.

• *Plastics*

Owing to the continuous downward performance (job losses) of the sector in recent years, mainly because of the shortage of skills it is expected that the skills development programme within the Plastic Machine Setter Trade will have at least 30+ learners to be trained. The programme focuses on the following plastics usage demands:

- Plastics for packaging;
- Plastics for automotive components;
- Plastics for medical devices; and
- Plastics for pipes in construction (PVC).

Another focus area for the plastic sector is the formalisation of the plastic recycling businesses by the informal sector which is identified as a source of job creation for several unemployed youth and adults in both inner cities and townships in Gauteng. The aim is to enhance the current operational and business model to create decent sustainable jobs within the plastic recycling business.

• *Pharmaceuticals*

Sector and industry will collaborate with the Gauteng Consultative Business Forum Pharmaceutical and Medical Devices Task Team, which is facilitated by the GGDA, to develop the Gauteng Pharmaceutical and Medical Technologies Manufacturing plan. Given the nature of the sector and the strict operational and regulations, the sector aims to develop a 10-year plan outlining key milestones and deliverables over the short-term, medium-term and long-term targets with the aim of producing and manufacturing pharmaceutical products and medical devices locally thereby reducing the imports over a long-term period.

Gauteng State Owned Bank

The following activities will be executed under tertiary services:

- Appoint a technical committee that will be responsible for providing advice and make decisions for the project team in fulfilling the mandate of a bank. Appoint a permanent project team that will consist of transactional advisors, GEP funding personnel and GGDA investor funding personnel;
- Mobilise investors to capitalise the bank to ensure its viability;
- Negotiate with the provincial banker to invest some funds in the bank in exchange for the provincial funds saved in the bank;
- Draft terms of reference to appoint a service provider to develop a business case on the establishment and recommendation of the bank; and
- Formulate a service level agreement (SLA) between GDED and the service provider.

Township Stock Exchange

The following are expected to be achieved in 2019/20:

- Submit the legal and governance Deputy Director (DD) report;
- Develop an implementation plan based on the recommended option from the ownership and governance DD;
- Conduct stakeholder engagements and industry visits;
- Identify SMMEs to partake in the GTSE Developmental Programme'
- Formulate developmental programme for SMMEs and workshop the programme.
- Launch the OTC-GTSE and onboarding of the qualifying SMMEs from the Development (incubation) Programme.

Information Communication Technology and Business Process Services

The department will also be undertaking the following projects for 2019/20:

- Gauteng Business Process Services (BPS) Value Proposition – Conduct a marketing campaign, to drive locally and internationally, with the support of Business Process Enabling South Africa (BPESA), GGDA, DTI and industry partners to secure investments within the province.
- BPS Satellite Office - Facilitate the establishment of BPS satellite offices across the five corridors to train and place unemployed youth from the township in the BPS sector.
- Gauteng Micro Insurance Diagnostic Study – Develop a guiding document for the sector that will outline short-medium objectives and assist the province in the development of the micro-insurance framework.
- ICT e-Waste Value Chain inclusive of the marginal economy – Establish an e-Waste work stream including collection, dismantling and sorting, pre-processing, end-processing recycling and re-use. At each point of the value chain separated components and fractions are processed, beneficiated, recycled and re-used specifically focusing on the recovery of valuable metals for re-use.
- Industry 4.0: Market Intelligence – This programme aims to gather intelligence to identify the skills and infrastructure needs to develop the necessary Fourth Industry (4IR) capacity with Gauteng. A global and domestic market demand analysis (skills, technology and infrastructure) will be conducted to identify key 4IR domains. Furthermore, a workforce skills gap analysis will be performed to develop interventions and training programmes to grow the 4IR capacity within Gauteng.
- Creative Industries will focus on the Animation Industry - The department will collaborate with industry, economic and skills development entities. The aim is to develop a programme with projects focusing on skills development, enterprise development and enabling Gauteng's Animation Production Industry to create jobs.

Primary Resources

The intention for the 2019/20 financial year is to build on and strengthen support for Furniture-Manufacturing SMMEs and cooperatives through the Furntech Incubation and cluster or hub enterprise solutions, including design studios, to enhance competitiveness and create employment opportunities.

The department has signed an MOU and SLA with Furntech to implement a training and incubation programme for 55 youth-owned enterprises in year one. The programme will capacitate youth with operational, technical and business skills required to run sustainable, growing and employment creating enterprises.

The department will support the incubation of 50 businesses towards the creation of 600 jobs in the mining and related sectors over a period of three years. The department will be implementing a mining incubation programme in the Western Corridor, in partnership with the West Rand Development Agency and SEDA's base-metals incubator, Lepharo.

The department will continue to facilitate the development of agro-processing through supporting new market entrants towards job creation and inclusive economic growth and development in the Gauteng city region. The agro-processing sector has been noted as a major opportunity for the creation of jobs and skills development. In this regard, the department is investigating the potential for the development of agro-processing clusters within the province.

The department intends on rolling out bakery and confectionery centres in various townships. A programme will be developed in partnership with SEDA's Food and Bakery Incubator to support the bakery and confectionery centres in Gauteng. The department will also ensure the establishment of facilities to assist SMMEs in townships to produce high-quality goods and access market opportunities in the public and private sectors.

Tertiary Services

Those SMMEs who applied to be listed on the Over the Counter (OTC) Platform will be shortlisted. The OTC Platform will be utilised as the benchmark platform for the GTSE and will be piloted with 25 SMMEs suitable to list and raise capital. When the shortlisting is completed, SMMEs will be taken through an incubation process consisting of a shared services programme which will assist the shortlisted SMMEs to familiarise themselves with the OTC Platform through the shared services platform. The OTC Platform will be used as a pilot phase to minimise the general listing risks that would normally exist in a main exchange board.

Economic Planning

The Economic Modelling and Forecasting Unit will work on the Gauteng Macroeconomic Modelling and Capacity Building Programme to support and guide the implementation of the GCR Economic Development Plan. The unit will continue with impact assessments to inform and guide the effectiveness of the provincial programmes. The Economic Planning and Policy Unit will revise the Gauteng Innovation Strategy and develop a new Gauteng Digital Economy Strategy. The Economic Research and Knowledge Management Unit will undertake township enterprise surveys to build a comprehensive database and information on the township economy. The unit will prioritise the enhancement and provision of up-to-date economic data, information and insights through the Gauteng Economic Barometer, Quarterly Economic Bulletins and Economic Insights for evidence-based decision-making and policy implementation in the province, while the Employment Facilitation Unit will continue with the monthly and quarterly job creation tracking and reporting for government departments, agencies and municipalities.

Inclusive Economy

The unit will focus on supporting and developing SMMEs and cooperatives to broaden economic participation in the province. The unit will ensure support for the sustainable development of financial cooperatives to drive financial and economic inclusion. The support will include national and international benchmarking in regions where financial cooperatives drives economic development, i.e. Finland, Italy as well as Canada. Channels to educate the community about the Cooperative Financial Institutions and the potential for personal and collective empowerment will be implemented.

Support will be provided for consumer cooperatives following the successful establishment of four regional entities. Coordination efforts will be made in implementing the TER Programme targeted in township enterprises by using collective public spending to create market access opportunities. The unit will work with stakeholders to comply with the B-BBEE compliance requirements. Gauteng governmental institutions are encouraged to comply with the local content requirements in all designated sectors with the aim of resuscitating local manufacturing to facilitate job creation in the province.

Gauteng Enterprise Propeller (GEP)

The GEP will continue to support small businesses within the construction sector with a view to shifting most contractor tenderpreneurs towards developing an entrepreneurial mindset and enterprises that contribute to the creation of sustainable job opportunities. The GEP aims to establish a Construction Ecosystem Centre to provide incubation and skills development opportunities to township businesses in construction, brick-making and related products. The Construction Ecosystem Centre will ensure that building materials are manufactured by small businesses in the townships. All building competencies, material supplies, accreditation, manufacturing and professional bodies will be housed in these centres to enhance the sustainability of the sector.

The GEP will continue providing financial support to 250 SMMEs to enhance their growth, profitability and sustainability, 150 of which will be based in townships. These businesses will be funded through loans, the Community Fund and the Township Business Renewal Programme. The rand value of financial support provided to SMMEs and coops in 2019/20 will be approximately R28 million. Non-financial support interventions will be provided to 2 000 SMMEs, with an additional 1 000 traders to be assisted through formalisation of their informal businesses in support of Gauteng Informal Business Upliftment Strategy.

The GEP will continue with the implementation of a localisation programme to stimulate the local production, with a focus on clothing and textile, manufacturing and furniture. A combined total of 255 SMMEs will be supported through training, skills development, mentorship, incubation and access to markets for local procurement.

The implementation of Strategic Partnerships and Resource Mobilisation, Debt Recovery and Cost Containment Strategies - aimed at reducing GEP's reliance on the fiscus to deliver its programmes is key. The GEP will play a crucial role in facilitating the implementation of the Gauteng Entrepreneurship Model (GEM) which advocates for the coordination, integration and maximisation of the province's potential in supporting township entrepreneurs. The GEM is a proposed entrepreneurial development framework that will assist Gauteng to reduce the high failure rates of supported SMMEs and Cooperatives, address the currently fragmented DFI approach to small business development and eliminate the opportunity for SMME/coops double dipping and wastage of limited resources.

Gauteng Tourism Authority (GTA)

The GTA aims to generate 4,383,041 foreign visitors; 3,182,700 domestic trips; R1.9 billion value generated through marketing events; 28 887 jobs created; support 70 events and assist 220 walk-in visitors. The GTA will strive for accelerating growth of the tourism sector in Gauteng, through destination marketing, by strengthening its current competitive and comparative advantages relating to market capture and diversification, destination image creation, attractive and package offerings, business tourism, events hosting and trade linkages with the agency's adoption of an integrated destination marketing strategy.

The GTA will continue to implement destination marketing and promotion programmes to market destination Gauteng by focusing on urban tourism and township tourism promotion. Destination marketing will focus on improving marketing of attractions and products across different multi-media channels, implementing several joint marketing initiatives with key strategic and tactical partners in marketing destination Gauteng and rolling out dedicated and sector-based marketing campaigns. The agency will continue to utilise a niche tourism approach that appears to offer greater opportunities and tourism sector that is more sustainable, less damaging and more capable of attracting high-value tourists. Areas of potential niche tourism for Gauteng include: sports tourism, health, wellness and spa, bird watching, cycling, golf, festivals, Big Five (Dinokeng Game Reserve offers an opportunity to see the Big Five), adventure (Soweto, Vaal River and Hartbeespoort provide several exciting adventure) and agri-tourism experiences.

Bidding and hosting is one of the areas that is crucial for measuring outcomes, with events support bearing tangible fruits such as SMME supports, job creation, rand value, social, economic and environmental values. The GTA will continue to promote the events sector by supporting event's organisers in bidding and hosting events. In promoting Gauteng as a destination, the agency will continue to focus on initiating marketing activities at key international source markets in line with the National 5-in-5 strategy. The GTA will implement the Tourism Safety Monitors project in partnership with the National Department of Tourism (NDT) and work with Tourism Business Council of South Africa (TBCSA) and other stakeholders to deal with the concern of crime as it affects both Gauteng citizens and tourists.

GAUTENG GROWTH AND DEVELOPMENT AGENCY (GGDA)

AIDC Skills Development and Training Programme

Through this programme a target is set to train 3 100 people across various training programmes.

AIDC Supplier Efficiency Programme

Under the efficiency improvement Programme, 30 companies will be provided with the following seven key interventions:

- Total Productive Maintenance Programme (TPM);
- Cleaner Production Programme;
- Rapid Process Improvement Programme (RPIW);
- Lean Manufacturing Programme, including collaboration initiatives with Japanese Government, United Nations and ASCCI;
- Quality and Environmental Management Systems;
- Automotive Centre for Competitiveness; and
- Support and services for BMW suppliers (New).

Commercialisations

The TIHMC plans to strengthen relationships with the research and academic institutions in Gauteng to improve the pipeline of spin-offs from the universities and research institutions into TIHMC incubation programmes. This will result in 75 innovations being commercialized with six technologies to be produced and exported.

EKasi Programmes

EKasiLabs will incorporate mobile application development and aspects of Fablab (Fabrication Laboratories) activities whose main objectives are to drive activities that will promote entrepreneurship in product design and manufacturing.

It will also promote highly technical skills for local entrepreneurs in the townships and provide access to infrastructure for entrepreneurs to develop new products that can be tested and modified in the market according to the customer needs. This will increase the diffusion, adopt technology and provide research, the development of new tools for entrepreneurs and infrastructure to produce small batches of niche products. The key outcomes from the programme will include the creation of new generation of entrepreneurship, high-impact/high-tech product and services, skills development and job opportunities for the local communities. The eKasiLabs will train and incubate 80 entrepreneurs at its various sites. A total of 40 of these entrepreneurs will be youth.

Nissan SA Incubation Centre

The Nissan SA Incubation Centre operationalisation will be maintained with a total of eight BBBEE SMMEs.

Incubation graduation

A total of 15 companies, including the start-ups in the incubation programmes, will graduate from the various incubation programmes at TIH.

Trade and investment

The FDI will amount to a target of R5 billion while DDI will be R3 billion.

Africa Focus

Opportunities in infrastructure development in the continent will continue to be identified for 16 Gauteng-based firms and 16 other firms will be assisted to expand their operations on the continent.

Cradle of Humankind World Heritage

The research currently being undertaken by a university, with a specific focus on community beneficiation, will go a long way in guiding the strategic interventions for COHWHS over the 2019/20 MTEF. The following projects will be implemented in the 2019/20 MTEF:

- Portion 26 Community Projects: Housing partnership project with MCLM for formal housing on Portion 26, establishment of two cooperatives to deal with community cycling maintenance project (based on the Khubeka Model) and community works maintenance project for general maintenance of gateways, cycle lanes and broader COHWHS area;
- World Heritage Education awareness partnership project with Ethiopia;
- Sponsoring educators to visit the museums at Sterkfontein and Maropeng;
- Public transport accessibility to Maropeng/Sterkfontein visitor centres;
- Enhance Maropeng procurement from township suppliers;
- Paleontological partnership programme with East Africa (Kenya/Ethiopia);
- Promulgation of land-use regulations in a Gauteng Government that are specific to the COHWHS (in line with Integrated Development Plans and Spatial Development Framework);
- Visitor and socio-economic impact assessment in the COHWHS;
- Management of the COHWHS Community Trust; and
- Funding of Community Trust projects in COHWHS.

The Cradle of Humankind World Heritage Site will manage the site in terms of national and international obligations. The Management Authority will carry out inspections of the fossil sites twice a year to ensure that Cradle of Humankind World Heritage Site is well-managed and maintained.

Dinokeng Project

The following projects will be prioritised during 2019/20 MTEF:

- Natural Resource Management at DGR;
- Provide operation funding support to DGR;
- Conduct school visits to DGR including Dinokeng awareness programmes;
- Support cooperatives at Dinokeng;
- Implement the brand strategy for Dinokeng;
- Support the Dinokeng Community Trust; and
- Construction of 10 picnic sites, six ablution facilities and one riverboat cruise operation facility and two gateways, depending on the completion of land compliance and availability of budget.

These projects and/or initiatives will generate 741 jobs for community members in the area, enhance the day visitor facilities and therefore attract tourists to the area to result in local economic growth. Through school day visits, learners will gain much more knowledge about nature conservation and sustainability.

Gauteng Gambling Board (GGB)

The Gauteng Gambling Board will continue with its mandate of regulating and controlling the gambling in the province. As the economy continues on its slow recovery, GGB anticipates that the gambling industry's performance will be above the Consumer Price Index (CPI) growth rate. The board will promote ethical business conduct and responsible gambling practices by those who participate in gambling. The GGB collaborate with law enforcement agencies to eradicate illegal gambling with a view to stop the leakage of revenue. The issuing of licences will be awarded in a manner that promotes government's objectives of BBBEE and TMR.

4. REPRIORITISATION

During the 2019/20 budget preparations, the department implemented the prescribed prescripts and practice guides of cost-containment measures on curtailing budgeting on non-essentials such as accommodation, internal catering, business class travel and the use of external commercial venues. The departmental budget council (strategic planning sessions) interrogated and assessed all budget bids of programmes to determine alignment with institutional priorities, capacity to spend, implementation of cost-containment measures and affordability of the plans.

The baseline budget on compensation of employees was kept constant over the MTEF to be in line with the organisational structure which is currently under review and in the final stage of being approved. The review of the organisational structure took place to re-position the department to carry out its mandate appropriately.

Under goods and services, the department has resolved to migrate the implementation of the two research chairs as function shift to the Office of the Premier (Industrial and TER research chairs) which amounts to R4 million in 2019/20. The transfer is based on the memorandum of agreement which the GPG signed with all universities based in Gauteng to collaborate on skills development and research initiatives. Furthermore, the department had to reduce the allocations to the entities for 2019/20 by R2.1 million to make provision for the Alternative Dispute Resolution (Life Esidimeni claimants). The reprioritisation for entities was done under their operational costs, which does not have an impact on their annual project implementation.

The JMP top structure and the Bio Park phase 3 were migrated from Gauteng Economic Propeller (GEP) back to GGDA over the 2019/20 MTEF together with their respective budgets. Furthermore, the budget and the implementation of the Constitutional Hill visitors centre was moved from GTA to GGDA over the MTEF.

A net amount of R56 million has been allocated for the youth PMO over the 2019/20 MTEF under GEP to fund and implement the project until 2021/22. The focus of the YPMO is the development of skills through placement for on-the-job training, giving youth an opportunity to go into formal employment as well as the entrepreneurial stream. The mobile satellite buses project has been moved from business regulation and governance to administration. This project ensures access to government services by going directly to communities and assist them with various administrations functions as part of TER implementation.

5. PROCUREMENT

The department will continue to identify strategies and reforms that are aimed at improving procurement processes and reducing inefficiencies. Supply chain policies are reviewed annually to ensure alignment with the SCM regulations applicable to both provincial and national governments, therefore ensuring enhanced supply chain management standards. Delegation of authority will be reviewed regularly to ensure appropriate levels of delegation and operational efficiencies. Procurement plans for goods and services above the threshold of R500 000 are prepared prior to the start of the new financial year to facilitate requisitions for goods and services and to reduce delays in procurement.

Procurement of goods and services are done in line with the requirement of PPPFA together with departmental procurement policies. The department will ensure that all contracts are subjected to market price analysis and the concept of value for money is the core driver when negotiating contracts.

The department has allocated funds over the MTEF to ensure that all projects that are critical to the mandate of the department are delivered on time. Some of the projects that would impact on the procurement process are as follows:

- Enterprise Building 2 and 3;

- Spaza shop verification
- Construction of the additional factory in the Automotive Supplier Park (ASP)
- Constitution Hill Visitor Centre and redevelopment of precinct;
- JMP Superblock;
- Biopark phase 3;
- Biopark 1C;
- Export portal;
- Multi-Function printing devices;
- Winterveld;
- Security services;
- Cleaning services;
- Voice Telecommunication;
- Design @50;
- Phase 2 of We the People Park;
- SEZ ICT Park; and
- Black Industrial Business Case Development.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 3.1 SUMMARY OF RECEIPTS: DEPARTMENT OF ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	1 305 610	1 387 699	1 425 973	1 510 450	1 536 399	1 536 399	1 581 240	1 674 951	1 774 792
Total receipts	1 305 610	1 387 699	1 425 973	1 510 450	1 536 399	1 536 399	1 581 240	1 674 951	1 774 792

The Department of Economic Development is funded through equitable shares. The budget allocation amounted to R1.3 billion in 2015/16 and increased to R1.4 billion in 2017/18, primarily owing to the funding of TER projects such as the Youth PMO, bidding and hosting of the Summer Cup, Ekasi lab, Gauteng tooling initiatives, development of the Gauteng barometer, Mega hubs and the refurbishment of township industrial hubs.

An amount of R1.5 billion was allocated in 2018/19. Among the projects earmarked for implementation were the completion of the Conhill Visitor Information Centre, JMP Super Block, Bio Park Phase 3, mineral beneficiation, recovery and rehabilitation of old mining dumps and Gauteng Auto City Masterplan design.

Over the 2019/20 MTEF the budget allocation increases from R1.6 billion in 2019/20 to R1.8 billion in 2021/22 which is an increase of 11 per cent. Among the projects that are catered over the MTEF period, which form part of job-creation initiatives, include Accelerated Youth Placement Programme, eKasi Labs and Bio Park Facility Incubator.

6.2 Departmental receipts

TABLE 3.2 : DEPARTMENTAL RECEIPTS: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	870 999	910 209	987 226	1 039 864	1 039 864	1 039 864	1 049 684	1 110 611	1 177 075
Casino taxes	828 997	870 030	948 608	1 000 864	1 000 864	1 000 864	1 008 684	1 068 611	1 132 765
Horse racing taxes	42 002	40 179	38 618	39 000	39 000	39 000	41 000	42 000	44 310
Sales of goods and services other than capital assets	374	413	454	433	433	433	455	480	506
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	5 167	3 226	3 366	2 404	2 404	2 404	2 400	2 544	2 696
Sales of capital assets		30	8						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transactions in financial assets and liabilities	(5 215)	1 126	164	324	324	324	342	361	381
Total departmental receipts	871 325	915 004	991 218	1 043 025	1 043 025	1 043 025	1 052 881	1 113 996	1 180 658

The department generates its revenue from gambling taxes (casino, bingo, LPM and horse racing taxes), parking fees and the selling of redundant assets and scrap paper.

Gambling revenue (taxes) is collected by the Gauteng Gambling Board (GGB) for a commission in terms of the Public Finance Management Act Sec 21 (b)(iii), s23(1) & (2) and (3) as well as the Gauteng Gambling Act of 1995 as amended. During the 2015/16 financial year the actual collection increased from R871 million in 2015/16 to R991 million in 2017/18. Over the 2019 MTEF, the projected revenue collection is estimated at R1.1 billion for 2019/20 and R1.2 billion for 2021/22. The increase in the projected revenue collection is informed by the envisaged revision of the gambling taxes regulations.

7. PAYMENT SUMMARY

7.1 Key assumptions

The 2019 MTEF budget is informed by the Department of Economic Development's strategic plan, annual performance plan, the provincial outcome and the NDP. Furthermore, in the costing of the budget provision is made for the annual salary adjustment, notch progression, performance bonuses, housing allowances, long-service awards, employer medical contribution, VAT increase and municipal costs.

TABLE 3.3: SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	202 072	227 488	270 671	302 494	277 712	277 712	307 704	327 390	349 040
2. Integrated Economic Development Services	301 958	246 012	257 407	320 504	244 544	244 544	269 792	288 556	301 951
3. Trade And Sector Development	578 254	677 185	737 953	703 148	847 956	847 956	818 015	859 090	907 790
4. Business Regulation And Governance	55 228	72 942	66 388	64 792	61 619	61 619	68 406	69 539	75 617
5. Economic Planning	133 332	135 642	77 406	119 512	104 568	104 568	117 323	130 375	140 394
Total payments and estimates	1 270 844	1 359 269	1 409 824	1 510 450	1 536 399	1 536 399	1 581 240	1 674 950	1 774 792

7.2 Summary of economic classification

TABLE 3.4 : SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	369 174	385 880	381 947	474 208	423 302	423 302	483 315	521 878	556 670
Compensation of employees	165 315	184 718	207 581	258 306	223 127	223 127	275 871	293 802	317 894
Goods and services	203 859	201 162	174 366	215 902	200 175	200 175	207 444	228 076	238 776
Transfers and subsidies to:	886 660	955 727	999 780	1 022 606	1 101 603	1 101 603	1 083 410	1 137 759	1 201 967
Provinces and municipalities									
Departmental agencies and accounts	885 945	954 572	998 991	1 022 606	1 100 975	1 100 975	1 083 410	1 137 759	1 201 967
Non-profit institutions		500							
Households	715	655	789		628	628			
Payments for capital assets	15 008	17 555	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Buildings and other fixed structures									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Machinery and equipment	14 924	16 988	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Software and other intangible assets	84	567							
Payments for financial assets	2	107	10 892						
Total economic classification	1 270 844	1 359 269	1 409 824	1 510 450	1 536 399	1 536 399	1 581 240	1 674 950	1 774 792

The department's expenditure increased from R1.3 billion in 2015/16 to R1.4 billion in 2017/18. The increase was mainly owing to additional funds that were made available for the implementation of the automotive supplier park, job creation projects (EDP) and TER-funded projects.

During the three year cycle which ended in 2017/18, the department managed to initiate and complete some of its major projects. These include the new mini factory which consists of approximately 8 000 square meters of floor space, the development of the AIDC's second incubation centre, the maxim programme that incubate 41 companies which is facilitated by TIH and the Gauteng Biopark which was launched to position and equip Gauteng as an anchor for the bioscience cluster. In addition, the department also managed to complete the construction of the Nissan Incubation Centre. The Winterveld Enterprise Hub was set up, the Gauteng Automotive Learning Centre was launched and mini factories phase 2 achieved 58 per cent progress against the target plan of 50 per cent. The 2018/19 main budget amounted to R1.51 billion and was increased by R25.9 million during the 2018/19 Adjustment budget process. The net increase included R18.6 million received as additional funding for the Metropolis Annual meetings; the Leggero platform and bulk buying of Media service providers. In addition, the adjustments included the approved rollover and function shifts to Office of the Premier.

Moreover, the overall departmental budget increases from R1.5 billion for 2019/20 to R1.7 billion in 2021/22 and will be disaggregated as follows:

- Programme 1: Administration, the allocation increases from R307 million in 2019/20 to R349 million in the 2021/22 financial year. The largest portion is allocated to corporate services for payment of leases, municipal rates and taxes, the provision of ICT equipment, printing tender, outreach campaigns, mobile office solutions, bursaries, litigation management and training of staff.
- Programme 2: Integrated Economic Development Services increases from R270 million in 2019/20 to R302 million in 2021/22. The budget is mainly driven by transfers of funds made to GEP. Among the projects that will be undertaken by GEP over the MTEF include the establishment of a sector-specific construction eco system centre which will house all construction manufacturing competencies. This is a continuation of the Booster Pitching Programme. Moreover, the budget will be also allocated towards the following: establishing a cooperative programme, Youth Accelerator Programme and the Spaza Shop verification which is aimed at ensuring that all spaza shops complies with the all required legislations.
- Programme 3: Trade and Sector Development increases from R818 million in 2019/20 to R908 million in 2021/22. The allocation is mainly for the transfer of funds to GGDA, GTA, Cradle of Humankind and Dinokeng which makes provision for the implementation of the industrial hubs; Ekasi Labs, ACSA rental; machinery and capital projects. Furthermore, the budget will be utilised for the water-monitoring programme; working on fire; the maintenance of roads and signage in the Cradle of Humankind as well as the implementation of tourism routes.
- Programme 4: Business Regulation and Governance increased from R68 million in 2019/20 to R76 million in 2021/22 which is a 12 per cent increase over the MTEF. The budget caters for projects such as trade exchange programme with community radio stations for consumer awareness campaigns, financial education for young entrepreneurs and the Consumer Affairs Office on Wheels (CAOW).

The allocation for this programme includes the transfers earmarked for Liquor Board, which is for the continuation of its compliance and enforcement programmes, education, and awareness activities, licence renewal and the board-adjudication process.

- Programme 5: The Economic Planning programme budget grew from R117 million in 2019/20 to R140 million in 2021/22 for the implementation of projects such as: the mid-term impact assessment of the TER strategy, a business case for the Gauteng Provincial Government Economic modelling and capacity building, the development of financial models for the Gauteng Investment Incentives Framework, Gauteng industrialisation high-impact projects and Gauteng Economic Barometer.

The compensation budget increased from R275 million to R317 million over the 2019/20 MTEF period, which equates to a 13 per cent growth over a three-year period. The growth in budget is attributed to an increase in personnel budget owing to the cost of living adjustment and the implementation of the new proposed structure.

The expenditure for goods and services decreased from R203 million in 2015/16 to R174 million in 2017/18. The expenditure on goods and services for 2016/17 declined by R2.6 million compared to 2015/16 spending. The decrease is owing to the non-payment of tenant installation costs, which was concluded after the moving of office buildings. The three-year expenditure takes into account operational costs associated with office building, audit costs as well as advertising, training and municipal costs. Over the MTEF, the budget for goods and services increased from R207 million in 2019/20 to R239 million in 2021/22. The allocation caters for projects such as: Township Stock Exchange, State Bank, Gauteng Cooperative Bank, Gauteng Consumer Cooperative, LED Capacity Building Programme; Gauteng Technical Manufacturing initiatives as well as EDP projects.

The core business of all departmental entities is to implement the mandate of the department which supports the achievement of the Transformation, Modernisation and Re-industrialization (TMR) agenda and Township Entrepreneur Revitalisation (TER). The expenditure under departmental agencies and accounts increased from R885 million in the 2015/16 financial year to R998 million in 2017/18 which is a 12.7 per cent increase over three years. Over the MTEF, the budget allocation increases from R1.1 billion 2019/20 to R1.2 billion in 2021/22.

The expenditure for payments for capital assets increased from R15 million in 2015/16 to R17 million in 2017/18. This was because of the procurement of new servers, furniture for the new building and other installation costs. Over the 2019 MTEF, the allocation increases from R14.5 million in 2019/20 to R16.1 million in 2021/22. The increase is attributed to the provision made for the finance lease of the GG vehicles, procurement of furniture for the newly renovated regional offices and desktop computers for new office members.

7.3 Infrastructure payments

7.3.1 Departmental Infrastructure payments

N/A

7.3.2 Departmental Public-Private Partnership (PPP) projects

N/A

7.4 Transfers

7.4.1 Transfers to public entities

TABLE 3.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Gauteng Enterprise Propeller	290 438	236 718	244 930	300 694	232 689	232 689	245 771	260 595	275 292
Gautrain Management Agency									
Gauteng Tourism Agency	93 798	104 744	108 165	141 201	113 339	113 339	102 679	109 767	116 168
Gauteng Growth and Development Agency	359 033	465 282	521 847	443 181	619 467	619 467	598 888	622 676	657 287
Total departmental transfers	743 269	806 744	874 942	885 076	965 494	965 494	947 338	993 038	1 048 747

Transfers and subsidies expenditure increased from R743.3 million in 2015/16 to R874.9 million in 2017/18 due to the TMR mandate to support SMMEs, the completion of mini-factory Automotive Supplier Park (ASP), the development of AIDC's Second Incubation Centre, the construction of the Nissan Incubation Centre, the Winterveldt Enterprise Hub and the launch of Gauteng Automotive Learning Centre. In addition, the expenditure was also attributed to the refurbishment of three township industrial parks in Vosloorus, Sebokeng and Eldorado Park. Furthermore, projects such as Discorp Africa, Cycling festival and the World Choir Games projects were implemented through the GTA. The 2018/19 total transfers of R885 million was increased to an adjusted budget of R965 million. The increase was informed by the redirection of funds from compensation of employees, goods and services as well from the payment of capital assets into departmental agencies and transfers. The budget allocation over the MTEF increases from R947.3 million in 2019/20 to R1 billion in 2021/22.

The expenditure for the GEP declined from R290 million in 2015/16 to R244 million in the 2017/18 financial year. During the 2015/16 financial year the agency, through partnerships, managed to support businesses owned by disabled people. The PWD Empowerment Programme consists of the identification and assessment of potential entrepreneurs from people with disability through the database and from a network of affiliated disability service providers. An amount of R56 million has been allocated towards the Youth PMO over the 2019/20 MTEF to fund and implement the project until 2021/22, the focus being the development of skills through placement for on-the-job training to give youth an opportunity to go into formal employment as well as the entrepreneurial stream. Furthermore, a function shift was implemented between the GEP and GGDA wherein the JMP top structure and the Bio-Science Phase 3 Block projects were migrated from GEP and returned to the GGDA over the 2019 MTEF Period.

One of the department's mandate is to revitalise township economies through the GEP. As a result various projects will be implemented over the MTEF to support the achievement of the Transforming, Modernizing and Re-Industrialisation Agenda. Among the projects, which will be implemented to support, the TER in the province over the 2019/20 MTEF are:

- Provide financial support to 250 SMMEs, of which 150 SMMEs will be township based. This will enhance their growth, profitability and sustainability;
- Spaza shop verification, which is aimed at ensuring that all spaza shops comply with the all required legislations;
- Booster Pitching Programme provides township-based youth and non-youth SMMEs an opportunity to present innovative business ideas to corporates, investors and other entrepreneurs to qualify for business development support. GEP support is aimed at equipping entrepreneurs with adequate business knowledge and skills to ensure their proposals are viable and investment ready;
- Youth Accelerator Programme seeks to enhance job creation for youth, reduce poverty, and increase the potential of youth to become active participants in the Gauteng economy;
- Localisation programme stimulates local production with a focus on clothing and textile, manufacturing and furniture;
- Construction Ecosystem Centre is aimed at providing, incubating and skills development opportunities to township businesses; and
- TSHEPO 1m - Youth Accelerator Programme.

The expenditure for GTA grew from R94 million in 2015/16 to R108 million in the 2017/18 financial year. The 2019/20 allocation decreased from R113 million in 2018/19 to R103 million. The Constitutional Hill Visitor Centre has been migrated back to GGDA for implementation and the budget has been shifted from GTA to GGDA over the 2019 MTEF. The entity will continue to implement destination marketing and promotion programmes to market destination Gauteng by focusing on urban tourism and township tourism promotion. In addition, the allocation caters for projects such as the hosting of the Gauteng Shopping Festival, Cycling Relay, and Discorp Africa, Joy of Jazz and the Gauteng Summer Cup and marketing of Gauteng tourism.

The department transferred R359 million in 2015/16 and R521 million in 2017/18 to GGDA which translates into an increase of R162 million over three years. Among the programmes that were implemented by GGDA from 2015/16 to 2017/18 are: the development of AIDC's second Incubation Centre; the Gauteng Automotive Learning Centre and the eKasi Labs programmes. The eKasi labs are aimed at promoting a culture of innovation within the township economy. Furthermore, the JMP top structure and the Bio Park phase 3 were migrated from the GEP back to GGDA over the 2019/20 MTEF together with their respective budgets. Furthermore, the Constitutional Hill Visitor Centre was migrated from GTA to GGDA.

Over the MTEF, the allocation for GGDA increased from R599 million in 2019/20 to R657 million in 2021/22, to implement projects such as:

- AIDC Supplier Efficiency Programme;
- Refurbishment of the township industrial parks;
- AIDC skills development and training programme;
- Construction of the additional factory for the tenants in the ASP;
- mLab and Code Tribe Academy;
- Implementation of the Gauteng Science and Hi-Tech SEZ Programme; and
- Completion of the Visitor's Centre construction.

The following are some of the Deliverology Projects that will be implemented through GGDA:

- Artisan training;
- Zambia Capital Equipment Hub;
- Black industrialists; and
- Incubation at eKasi Labs.

7.4.2 Transfers to other entities

TABLE 3.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES:

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Cradle of Humankind	71 377	63 583	64 522	73 454	70 554	70 554	72 062	79 625	84 368
Dinokeng	53 570	43 576	36 498	39 056	39 056	39 056	37 658	39 925	42 481
Gauteng Liquor Board	25 327	40 669	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Total departmental transfers	150 274	147 828	124 049	137 531	135 481	135 481	136 072	144 721	153 220

The transfers to other entities decreased from R150 million 2015/16 to R124 million in 2017/18. The main budget for 2018/19 amounted to R137 million and was adjusted downwards to R135 million. The funds were reprioritised from Cradle of Humankind to GEP for the Business start-up kits. The budget allocation over the MTEF increased from R136 million in 2019/20 to R153 million in 2021/22.

The expenditure for Cradle of Humankind decreased from R71 million in 2015/16 to R64 million in the 2017/18 financial year. The bulk of the expenditure was on infrastructure development, natural resources management, operations of Maropeng and Sterkfontein Caves as well community development projects such as Sponsored School Visits to the COHWHS and specific public meetings. The budget allocation for 2018/19 financial year is R70 million, of which R20 million has been allocated to implement core projects such as the water monitoring programme, operational funding for the Cradle of Humankind World Heritage Site (COH WHS), the COHWHS Trust Management, Working on Fire, tourism routes implementation and mountain bike trail management. Moreover, a large portion of the budget is allocated to scientific research, community beneficiation and the tourism visitor economy to ensure that it becomes the anchor for socio-economic development projects.

The MTEF budget allocation for Cradle of Humankind has increased from R72 million in 2019/20 million to R85 million in the 2021/22 financial year and will be disaggregated as follows:

- The increase includes the additional budget of R15.9 million for the tourism routes implementation in Gauteng. This tourism route will bring together a variety of activities and attractions under a unified theme and this stimulates entrepreneurial opportunity through development of ancillary product and services.
- There will be a renewed effort in implementing critical tourism development objectives as per the Economic Development Implementation Plan within the Global City Region context with the Management of the COHWHS Community Trust. The following projects will be implemented in the 2019/20 MTEF: Portion 26 Community projects, World Heritage Education awareness partnership with Ethiopia and public transport accessibility to Maropeng / Sterkfontein visitor centres.

Transfers made to the Dinokeng Trading Entity amounted to R53 million in 2015/16, decreasing to R43 million in 2016/17 and R36 million in 2017/18. Over the MTEF, the allocation increases from R37 million in 2019/20 to R42 million in 2021/22. The increase is because of the intensive drive on investment in tourism infrastructure development programmes and empowerment of SMMEs and cooperatives that the Dinokeng Project has embarked on over these periods. Projects such as Working on Fire Programme, school visits to the Dinokeng Game Reserve (DGR) as well as establishing the Dinokeng community development fund will be implemented. Moreover, the following projects will also be prioritised during the 2019/20 MTEF: Natural Resource Management at DGR, operational funding support to the DGR and implement the brand strategy for Dinokeng.

The mandate of GLB, among other things, is to manage the lodgement of liquor licence applications, processing liquor licence applications and a renewal of licences. The budget transferred to the GLB decreased from R25 million in 2015/16 financial year to R23 million in 2017/18. The decrease in the budget allocation for GLB was a result of increased revenue tariffs which resulted in improved income streams for GLB. This compelled the department to decrease its funding to the GLB. Over the 2019 MTEF the allocation will remain constant at R26 million. The entity envisages the finalisation of its physical verification project, full implementation of GLB Automation System and Records Management project. The automation will modernise the GLB process, enhance the potential for revenue collection and will contribute towards creation of a credible database.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

To provide strategic leadership, support and transversal business solutions to enable the MEC, HOD and DED group to effectively deliver on the mandate of the department.

Programme objectives

Capacitate GDED financially to meet its objectives, fulfil its mission and improve service delivery.

TABLE 3.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Office Of The Mec	10 146	8 285	9 539	14 920	9 142	9 142	15 756	17 887	19 532
2. Office Of The Hod	14 089	13 127	22 721	22 764	22 316	22 316	24 038	26 860	28 999
3. Financial Management	32 310	36 642	52 046	55 236	51 070	51 070	58 327	61 533	65 578
4. Corporate Services	145 527	169 434	186 366	209 574	195 184	195 184	209 583	221 110	234 931
Total payments and estimates	202 072	227 488	270 671	302 494	277 712	277 712	307 704	327 390	349 040

TABLE 3.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	186 752	209 237	242 262	288 858	266 000	266 000	293 189	312 077	332 885
Compensation of employees	92 750	97 334	115 854	138 285	123 536	123 536	146 029	156 822	168 091
Goods and services	94 002	111 903	126 409	150 573	142 464	142 464	147 160	155 255	164 794
Transfers and subsidies to:	311	858	313	218	218				
Provinces and municipalities									
Departmental agencies and accounts									
Non-profit institutions		500							
Households	311	358	313	218	218				
Payments for capital assets	15 008	17 287	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Buildings and other fixed structures									
Machinery and equipment	14 924	16 988	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Software and other intangible assets	84	299							
Payments for financial assets	1	106	10 891						
Total economic classification	202 072	227 488	270 671	302 494	277 712	277 712	307 704	327 390	349 040

The administration budget is utilised for the items that are centralised to Corporate Services and Financial Management such as lease payments for office buildings, security services, cleaning services, bursaries, telephones payment, LAN upgrades, payment of software licences, disaster recover management, fleet services, municipal rates and taxes, legal costs, ICT equipment and internal audit costs that are allocated under the CFO's office budget.

The budget increased from R202 million in 2015/16 financial year to R227 million in 2016/17 owing to the implementation of the TER projects through the Qondisi'shishini Lakho Campaign, the hosting of inaugural Infrastructure Investment Conference, the Township Entrepreneurship Awards and Regional Township Revitalisation Summit. The 2018/19 main budget of R302.4 million was reduced to an adjusted budget of R277.7 million, the funds were shifted to GEP for Business start-up kits, the Job placements projects and the Spaza shop verification.

Over the 2019 MTEF, the allocation increased from R307.7 million to R349 million in the 2021/22 financial year. The largest portion is allocated to corporate services for payment of leases, municipal rates and taxes, provision of ICT equipment, printing tender, outreach campaigns, mobile office solutions, bursaries, litigation management and training of staff.

The Compensation of Employees expenditure increased from R92.8 million in 2015/16 to R115.9 million in the 2017/18 financial year. The budget is R146 million in 2019/20 and increases to R168 million in 2021/22 owing to the implementation of the department's proposed structure, which is intended to increase the operational capacity in the department and ensure that all the TMR, NDP and SOPA targets are met.

Goods and services expenditure amounts to R94 million in 2015/16 and increased to R126 million in the 2017/18. Over the 2019 MTEF, the allocation increased from R147 million in 2019/20 to R164 million in 2021/22 due to the inflationary increase in prices of services.

Machinery and equipment expenditure for 2015/16 amounts to R14.9 million and increased to R17.2 million in 2017/18. The increase was because of the procurement of office equipment such computers, furniture and software. Over the 2019 MTEF, R14.5 million is allocated in 2019/20 and the allocation increases to R16.2 million in 2021/22. The increase is owing to the planned implementation of projects such as the disaster recovery site for the purposes of system recovery and implementation of community ICT hubs for SMMEs to access Internet, broadband, and payment of software licences.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Programme description

To ensure radical economic transformation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.

Programme objectives

- Advance economic development skills to Radically Transform and Re-Industrialise Gauteng Economy;
- Radically transform the Gauteng economy through new, smart, knowledge-based economy;
- Remodel township economies reflecting radical transformation and re-industrialisation of Gauteng's economy; and Strategic economic infrastructure that supports and facilitates the radical economic transformation and re-industrialisation of Gauteng.

TABLE 3.9 : SUMMARY OF PAYMENTS AND ESTIMATES: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Enterprise Development	291 337	236 718	244 930	305 662	232 689	232 689	251 017	266 057	281 055
2. Regional And Local Economic Development	(877)		2 067	1 160			1 225	1 293	1 364
3. Economic Empowerment	11 498	9 294	10 410	13 682	11 855	11 855	17 550	21 206	19 532
Total payments and estimates	301 958	246 012	257 407	320 504	244 544	244 544	269 792	288 556	301 951

TABLE 3.10 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	11 487	9 268	12 438	19 810	11 785	11 785	24 021	27 961	26 659
Compensation of employees	8 775	9 222	12 364	19 810	11 785	11 785	24 021	25 269	26 659
Goods and services	2 712	46	73					2 692	
Transfers and subsidies to:	290 471	236 744	244 969	300 694	232 759	232 759	245 771	260 595	275 292
Provinces and municipalities									
Departmental agencies and accounts	290 438	236 718	244 930	300 694	232 689	232 689	245 771	260 595	275 292
Households	33	26	39		70	70			
Payments for capital assets									
Buildings and other fixed structures									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Software and other intangible assets									
Payments for financial assets									
Total economic classification	301 958	246 012	257 407	320 504	244 544	244 544	269 792	288 556	301 951

The expenditure under Integrated Economic Development services decreases from R302 million in 2015/16 to R257 million in 2017/18. The 2018/19 main budget of R320.5 million was adjusted downwards to R244.5 million owing to the redirection of projects from GEP to GGDA, which are detailed in the subsequent paragraphs. Enterprise development accounts for the largest share of the budget, followed by economic empowerment and regional and local economic development. Over the 2019 MTEF, the budget increases from R270 million in 2019/20 to R302 million in 2021/22.

The compensation of employees expenditure increases from R8.8 million in 2015/16 to R12.4 million in 2017/18. The increase is attributed to the cost of living salary adjustments and filling in of vacant posts. The 2018/19 budget allocation amounts to R11.8 million. In 2019/20, the budget allocation increases from R24 million to R26.7 million in 2021/22. This is informed by the negotiated salary increases, which factor in different salary levels over a 3 year period.

Goods and services expenditure decreases from R2.7 million in 2015/16 to R73 000 in 2017/18. The decrease is as a result of centralising operational costs under a common cost centre as well as shifting of the BBBEE and inclusive Economy function to Programme 5.

The expenditure under departmental transfers decreased from R290 million in 2015/16 to R245 million in the 2017/18 financial year. Over the MTEF it increases from R245.7 million to R275.3 million. The entity utilised its budget to fund the Qondishishini Lakho Campaign and provided financial support to new and existing SMMEs. The construction of the JMP top structure and Bio Science Park Projects migrated from GEP to GGDA which resulted in the re-prioritisation of funds over the 2019 MTEF period between the two entities. In addition, the allocation over the MTEF will cater for the following programmes and projects that will be carried out by GEP, such as financial support to township, support to informal businesses, Youth Accelerator Programme, establishment of Construction Ecosystem Centre, implementation of a localisation programmes, spaza shop verification, continuation of the Booster Pitching Programme and Supplier Development Programme.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of jewellery manufacturing and design students contracted	15	15	15	15
Number of companies graduated with sustainable businesses from incubation	12	15	15	15
Number of companies incubated at Ekasi Labs	80	80	80	80
Number of innovations commercialised by incubated start-ups	60	75	75	75
Number of township industrial parks refurbished	10	10	10	10
Number of township attractions promoted	120	150	180	180
Number. of SMME's financially supported in the prioritized sectors	250	250	250	250
Number. of SMME's non-financially supported in the prioritized sectors	1 500	1 750	2 000	2 000
Number of SMME's supported through the Pitching Booster Programme	250	300	350	350
Number of youths benefited from Youth Accelerator Programme	600	700	800	800
Number of Co-ops supported to improve their investment readiness	100	100	100	100
Number of Informal Businesses supported non-financially to formalise	750	800	850	850

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT**Programme description**

Ensure re-industrialisation that addresses the triple policy imperatives of decent work, an inclusive economy and equality.

Programme objectives

Provide an enabling environment for sustainable business activities in Gauteng for radical economic transformation of Gauteng's economy:

- Create an enabling environment for economic activities that generate revenue for transformation and re-industrialisation of the Gauteng economy; and
- Sustain tourism development by providing protection mechanisms for biodiversity areas and other conservation sites.

TABLE 3.11: SUMMARY OF PAYMENTS AND ESTIMATES BY: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Trade And Investment Promotion	476		3 749	6 257	5 541	5 541	6 728	7 097	7 486
2. Sector Development	218 745	211 903	209 185	253 711	222 949	222 949	212 399	229 317	243 017
3. Strategic Initiatives	359 033	465 282	525 019	443 181	619 467	619 467	598 888	622 676	657 287
Total payments and estimates	578 254	677 185	737 953	703 148	847 956	847 956	818 015	859 090	907 790

TABLE 3.12 : SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	475		6 921	6 257	5 491	5 491	6 728	7 097	7 486
Compensation of employees	469		6 887	6 257	5 491	5 491	6 606	6 969	7 352
Goods and services	6		34				122	128	134
Transfers and subsidies to:	577 778	677 185	731 032	696 891	842 465	842 465	811 287	851 993	900 304
Provinces and municipalities									
Departmental agencies and accounts	577 778	677 185	731 032	696 891	842 415	842 415	811 287	851 993	900 304
Households					50	50			
Payments for capital assets									
Payments for financial assets	1								
Total economic classification	578 254	677 185	737 953	703 148	847 956	847 956	818 015	859 090	907 790

The expenditure for Trade and Sector Development increased from R578 million in 2015/16 to R738 million in 2017/18. The 2018/19 main budget amounted to R703.1 million, during the same period, the department received an additional budget of R7 million which was allocated to GTA for the bidding and hosting of annual Metropolis meeting. In addition, the 2018/19 adjustments also included funds redirected from other programmes.

The budget allocation over the MTEF increased from R818 million in 2019/20 to R908 million in 2021/22. A significant share of the budget is allocated between sector development and strategic initiatives where Cradle of Humankind, Dinokeng, GTA and GGDA are located.

The Compensation of Employees expenditure increased from R469 000 in 2015/16 to R6.9 million in 2017/18. The increase is attributed to vacancies which were filled to increase the capacity under the Sector and Development Branch. Over the 2019 MTEF, the allocation increases from R6.6 million in 2019/20 million to R7.4 million in 2021/22 owing to the implementation of the cost of living adjustment over the MTEF.

The expenditure under goods and services increases from R6 000 in 2015/16 to R34 000 in 2017/18. Over the MTEF, the allocation increases from R122 000 in 2019/20 to R134 000 in 2021/22 and caters for operational costs for the new Trade and Sector Branch.

The expenditure under departmental agencies and transfers increased from R577.7 million in 2015/16 to R731 million in 2017/18. The budget increases from R811 million in 2019/20 to R900 million in 2021/22. The budget under this programme is mainly allocated to cater for transfers of funds for GTA, Cradle of Humankind, Dinokeng and GGDA towards the implementation of core projects/programmes some of which include: the eKasi labs roll-out, completion of the visitor's centre construction, Working on Fire Programme, tourism routes implementation, implementation of the JMP top structure, the Bio- Science park as well as the bidding and hosting of Gauteng Shopping Festival, Cycling Relay, Discorp Africa and Joy of Jazz.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of Gauteng tourism marketing initiatives implemented in the key International source markets	20	25	35	35
Number of Gauteng tourism marketing initiatives implemented in the domestic markets	9	11	15	15
Number of enterprises provided with export readiness development programme	270	300	300	300
Number of Gauteng based firms assisted to expand operations in Africa	14	16	16	16
COHWS Integrated Management Plan (IMP) implementation report produced	Implementation report produced	Implementation report produced	Implementation report produced	Implementation report produced
Number of jobs created from the Dinokeng Project	721	741	751	751
Number of Cooperatives supported at Dinokeng	10	12	15	15
Number of township tourism products showcased to markets	300	400	500	500

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Programme description

To create a seamless business regulation and good governance environment that promotes ethical conduct, transforms industry, realises sustainable revenue generation and contributes towards the achievement of TMR goals.

Programme objectives

- Provide an enabling environment for consumer satisfaction to stimulate growth of businesses;
- Properly regulate the Liquor Industry in Gauteng;
- Properly regulate the Gambling and Betting Industry in Gauteng; and
- Generate revenue from business regulation for socio-economic development of the Gauteng.

TABLE 3.13: SUMMARY OF PAYMENTS AND ESTIMATES: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Governance	4 177	5 219	16 678	9 587	4 676	4 676	10 132	10 690	12 091
2. Igr And Strategic Partnerships	6 803	6 700	4 457	9 544	6 243	6 243	10 115	10 672	12 071
3. Consumer Protection	26 518	20 353	22 224	20 640	24 829	24 829	21 807	23 006	25 084
4. Liquor Regulation	17 730	40 670	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Total payments and estimates	55 228	72 942	66 388	64 792	61 619	61 619	68 406	69 539	75 617

TABLE 3.14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	37 373	32 222	43 068	39 771	35 728	35 728	42 054	44 368	49 246
Compensation of employees	24 342	26 805	26 106	32 125	30 462	30 462	33 924	35 788	40 196
Goods and services	13 031	5 417	16 962	7 646	5 266	5 266	8 130	8 580	9 050
Transfers and subsidies to:	17 855	40 719	23 320	25 021	25 891	25 891	26 352	25 171	26 371
Departmental agencies and accounts	17 729	40 669	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Households	126	50	291		20	20			
Payments for capital assets									
Payments for financial assets		1							
Total economic classification	55 228	72 942	66 388	64 792	61 619	61 619	68 406	69 539	75 617

The total expenditure amounted to R55 million for 2015/16 and increased to R66 million in the 2017/18. The 2018/19 main budget of R64.8 million was adjusted downwards to R61.6 million, this was due to the reduction from the usage of consultants and the implementation of cost containment. The 2019/20 budget has increased from R68 million to R76 million in 2021/22.

The expenditure for compensation of employees increased from R24 million in 2015/16 to R26 million in the 2017/18 financial year. Over the MTEF, the budget increased from R34 million in 2019/20 to R40 million in 2021/22 financial year.

Expenditure under goods and services for 2015/16 was R13 million and increased to R17 million in 2017/18. Over the 2019 MTEF, the budget increases from R8 million in 2019/20 to R9 million in 2021/22. The budget caters for projects such as Trade Exchange Programme with community radio stations for consumer awareness campaigns, financial education for young entrepreneurs, the Consumer Affairs Office on Wheels (CAOW), Spaza Shop Summit and the Consumer Affairs Court holding its sittings.

Transfers to the GLB increased from R18 million in 2015/16 to R23 million in 2017/18 owing to low revenue collection from GLB, which compelled the department to increase its funding to assist the GLB to fund operational costs. Over the 2019 MTEF, the allocation increased by a constant R26.3 million in 2019/20 and 2021/22 to fund - among others - the following: Automation System Maintenance which seeks to simplify the liquor licence process through automation, the physical verification project which will assist with the verification project that determines the total number of liquor outlet in the province, the lodgement of liquor licence applications, processing liquor licence applications and the renewal of licences. The education and awareness campaigns will educate the public and stakeholders about liquor legislation and effects of alcohol abuse.

SERVICE DELIVERY MEASURES

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of liquor social responsibility programmes supported	4	4	4	4
Rand value spent on Corporate Social Investment programmes	800 000	900 000	1 000 000	1 000 000
Number of liquor inspections conducted	11 065	12 065	13 065	13 065
Number of liquor awareness activities conducted	220	250	280	280
Number of gambling compliance audits conducted	181	181	181	181
Number of technical gambling inspections conducted	678	678	678	678
Percentage of consumer complaints resolved within 60 days	100%	100%	100%	100%
Number of consumer education programmes conducted	400	450	500	500

PROGRAMME 5: ECONOMIC PLANNING**Programme description**

To provide thought leadership to transform and re-industrialise the Gauteng City Region through policy and strategy development

Programme objectives

- Develop informative strategies for implementing effective economic development programmes in Gauteng.

TABLE 3.15: SUMMARY OF PAYMENTS AND ESTIMATES: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Policy And Planning	12 702	21 017	19 342	26 759	25 862	25 862	23 358	24 808	27 054
2. Research And Development	3 008	2 698	1 817	3 931	1 193	1 193	6 073	6 316	6 665
3. Knowledge Management	1 009	1 350	1 631	1 283	9 489	9 489	2 000	2 119	2 438
4. Monitoring And Evaluation	3 916	5 099	10						
5. Economic Infrastructure Development	66 750	49 511	838	11 247			11 876	12 529	13 218
6. Sector And Industry Development	39 501	46 010	41 533	61 756	53 884	53 884	59 508	69 297	73 991
7. Inclusive Economy	6 446	9 957	12 235	14 536	14 140	14 140	14 508	15 306	17 028
Total payments and estimates	133 332	135 642	77 406	119 512	104 568	104 568	117 323	130 375	140 394

TABLE 3.16: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	133 087	135 153	77 258	119 512	104 298	104 298	117 323	130 375	140 394
Compensation of employees	38 979	51 357	46 370	61 829	51 853	51 853	65 291	68 954	75 596
Goods and services	94 108	83 796	30 888	57 683	52 445	52 445	52 032	61 421	64 798
Transfers and subsidies to:	245	221	146		270	270			
Non-profit institutions									
Households	245	221	146		270	270			
Payments for capital assets		268							
Machinery and equipment									
Software and other intangible assets		268							
Payments for financial assets			1						
Total economic classification	133 332	135 642	77 406	119 512	104 568	104 568	117 323	130 375	140 394

The programme expenditure decreased from R133 million in 2015/16 to R77 million in 2017/18. Projects implemented were: Industrial High-Impact Tooling Initiatives, SMME support, State Owned Bank feasibility studies, Gauteng Barometer and the Gauteng Tooling Initiatives. The 2018/19 main budget of R119.5 million was reduced to an adjusted budget of R104.6 million owing to the delays in filling vacant posts. These adjustments also included: provincial roll-overs of R2.8 million, function shifts of R4 million; and an additional funding of R7 million.

Over the 2019 MTEF, the programme budget grew from R117 million in 2019/20 to R140 million in 2021/22 for the projects such as: the implementation of the mid-term impact assessment of the TER strategy, business case for the Gauteng Provincial Government Economic modelling and capacity building, development of Financial Models for the Gauteng Investment Incentives Framework, Gauteng Growth and Modernisation Programme, facilitation of township brick project, township clothing and linen clusters, township consumer cooperatives, economic intervention workshops, Gauteng industrialisation high-impact projects and enterprise licence for the Gauteng Economic Barometer.

The expenditure for Compensation of Employees increased from R38.9 million in 2015/16 to R46 million in 2017/18. The increase in expenditure is informed by the employment of core staff in the branch. The MTEF budget for compensation increased from R65 million in 2019/20 to R75 million in 2021/22 to provide for annual salary increases and benefits.

The budget for goods and services increased from R52 million in 2019/20 before it increased further to R64 million in 2021/22 to implement the following projects: Quarterly Economic Bulletin, Gauteng Economic Barometer, Economic Growth Model, Economic Impact Assessments, Housing Cooperatives, GCR EDP Monitoring and Evaluation Tool and Job Creation Tracking.

SERVICE DELIVERY MEASURES

PROGRAMME 5: ECONOMIC PLANNING

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of impact assessment reports produced	2	2	2	2
Number Gauteng Econometric Models and capacity programme building reports produced	1	1	1	1
Number of TER Intergovernmental Programmes coordinated	4	4		
Number of Gauteng consumer cooperatives in all regions facilitated	2			
Number of cooperatives banking platforms established	2	3		
Number of GCR EDP implantation reports produced	4	4	4	4
State Bank Business Case developed	Gauteng State Owned Bank Business Case developed			

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 3.17: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY PROGRAMME: ECONOMIC DEVELOPMENT

R thousands	Actual				Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF					
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22			
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% of Total	
Salary level																		
1 – 6	44	8 382	40	6 341	41	12 151	62	11	73	13 895	70	13 155	70	14 169	70	15 450	4%	5%
7 – 10	171	53 902	181	57 392	209	57 344	213	9	222	86 608	237	100 855	237	108 556	237	116 344	10%	37%
11 – 12	70	45 372	68	53 723	83	37 652	74		74	46 491	81	51 587	81	54 771	81	59 192	3%	19%
13 – 16	60	54 336	66	67 262	62	81 685	38	12	50	68 734	53	87 497	53	91 023	53	98 972	13%	31%
Other	18	3 323			4	18 749	8		8	7 399	8	22 778	8	25 283	8	27 936	56%	7%
Total	363	165 315	355	184 718	399	207 581	395	32	427	223 127	449	275 871	449	293 802	449	317 894	13%	100%
Programme																		
1. Administration	192	92 750	212	97 334	231	115 854	221	18	239	123 535	239	146 029	239	156 822	239	168 091	0%	54%
2. Integrated Economic Development Services	77	8 775			25	12 364	36	2	38	11 785	38	24 021	38	25 269	38	26 659	0%	8%
3. Trade And Sector Development	26	469			26	6 887	46		46	5 491	40	6 606	40	6 969	40	7 352	10%	2%
4. Business Regulation And Governance	59	24 342	69	26 805	61	26 106	55	10	65	30 462	65	33 924	65	35 788	65	40 196	0%	13%
5. Economic Planning	9	38 979	74	51 357	56	46 370	37	2	39	51 853	67	65 291	67	68 954	67	75 596	13%	24%
Total	363	165 315	355	184 718	399	207 581	395	32	427	223 127	449	275 871	449	293 802	449	317 894	13%	100%

Personnel costs increased from R165 million in 2015/16 to R184 million in the financial year 2016/17. This was owing to many critical posts that needed to be filled. The increase in personnel costs was due to the continuation of the implementation of the organisational structure.

Over the MTEF, the compensation budget allocation will escalate due to an increase in the number of posts as per the proposed structure, which has been submitted to DPSA for review, which is in support of the Ten Pillar Programme. The Compensation of Employees will increase from R276 million in 2019/20 to R318 million in 2021/22. The TMR Strategy and the GCR Economic Development Plan are cornerstones for the rationalisation of the departmental functions and the proposed organisational structure.

9.2 Training

TABLE 3.18: PAYMENTS ON TRAINING BY PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	363	355	399	427	427	427	449	449	449
Number of personnel trained	487	377	497	526	526	526	305	305	322
of which									
Male	211	128	227	240	240	240	130	130	137
Female	276	249	270	286	286	286	175	175	185
Number of training opportunities	750	117	125	131	131	131	139	142	148
of which									
Tertiary	135	77	81	83	83	83	88	88	93
Workshops	500	15	17	19	19	19	20	21	22
Seminars	100								
Other	15	25	27	29	29	29	31	33	33
Number of bursaries offered	75	49	55	57	57	57	35	35	37
Number of interns appointed	30	63	65	65	65	65	64	64	68
Number of learnerships appointed	25	20	15	15	15	15	10	10	11
Number of days spent on training	2 595	2 595	2 725	2 883	2 883	2 883	222	222	234
Payments on training by programme									
1. Administration	2 245	2 306	3 474	3 673	3 673	3 673	3 879	4 092	4 317
2. Integrated Economic Development Services									
3. Trade And Sector Development									
4. Business Regulation And Governance									
5. Economic Planning									
Total payments on training	2 245	2 306	3 474	3 673	3 673	3 673	3 879	4 092	4 317

The department continues to build capacity and improve the efficiency and effectiveness of staff members by encouraging participation in skills development programmes, management development programmes and bursary opportunities. The bursaries awarded in the 2015/16 and 2016/17 financial year increased owing to the improvement in the bursary application and approval process.

The budget for training is centralised in Programme 1 under Human Capital Management for better coordination and management. The training budget constitutes 1 per cent of the compensation budget in line with the directive on training budget as determined by the DPSA.

In the 2018/19 financial year, the department implemented a framework of courses, experiential learning and capacity development for each level of staff using the different methodologies of learning, i.e. e-learning, classroom learning and on-the-job training. This included technical skills, foundation skills, behavioural skills and leadership development. To ensure succession planning and retention of skills, there will be a focus on preparing supervisory levels (MMS and SMS) for the next level of management based on the competency framework for SMS. The training budget also makes provision for the development of graduates through the appointment of interns and graduate trainees with scarce and critical skills in core business units. To ensure compliance with the standards of operational skills sectors, affiliation to professional bodies will also be provided for.

The department's Workplace Skills Plan (WSP) is compiled annually by 30 April as mandated. The WSP is an indication of the planned training that will be implemented as per identified skills requirements in performance management. In addition, ad hoc training requests are also implemented as they arise from unforeseen factors such as poor performance, DPSA Directives and changes in the department's objectives. As such, training priorities are determined on an annual basis while the training budget is allocated based on the MPSA's Directive on Training Budgets.

9.3 Reconciliation of structural changes

No changes.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 3.19: SPECIFICATION OF RECEIPTS: DEPARTMENT OF ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	870 999	910 209	987 226	1 039 864	1 039 864	1 039 864	1 049 684	1 110 611	1 177 075
Casino taxes	828 997	870 030	948 608	1 000 864	1 000 864	1 000 864	1 008 684	1 068 611	1 132 765
Horse racing taxes	42 002	40 179	38 618	39 000	39 000	39 000	41 000	42 000	44 310
Sales of goods and services other than capital assets	374	413	454	433	433	433	455	480	506
Sale of goods and services produced by department (excluding capital assets)	374	413	454	433	433	433	455	480	506
Sales by market establishments									
Administrative fees									
Other sales	374	413	454	433	433	433	455	480	506
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land	5 167	3 226	3 366	2 404	2 404	2 404	2 400	2 544	2 696
Interest	5 167	3 226	3 366	2 404	2 404	2 404	2 400	2 544	2 696
Sales of capital assets		30	8						
Other capital assets		30	8						
Transactions in financial assets and liabilities	(5 215)	1 126	164	324	324	324	342	361	381
Total departmental receipts	871 325	915 004	991 218	1 043 025	1 043 025	1 043 025	1 052 881	1 113 996	1 180 658

TABLE 3.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	369 174	385 880	381 947	474 208	423 302	423 302	483 315	521 878	556 670
Compensation of employees	165 315	184 718	207 581	258 306	223 127	223 127	275 871	293 802	317 894
Salaries and wages	144 485	162 058	181 719	222 588	195 822	195 822	238 154	254 013	275 070
Social contributions	20 830	22 660	25 862	35 718	27 305	27 305	37 717	39 789	42 824
Goods and services	203 859	201 162	174 366	215 902	200 175	200 175	207 444	228 076	238 776
Administrative fees	1 159	1 374	663	524	915	607	661	693	730
Advertising	23 720	8 660	13 983	28 174	32 391	32 097	18 978	19 405	20 521
Minor assets	186	2 868	989		2 532	2 532			
Audit cost: External	4 293	3 792	5 329	5 300	4 300	4 300	5 577	5 884	6 208
Bursaries: Employees	799	1 006	897	1 900	1 750	1 750	1 991	2 101	2 217
Catering: Departmental activities	1 054	2 021	2 283	4 040	3 350	3 359	4 000	4 140	4 358
Communication (G&S)	4 826	6 679	5 537	4 677	3 690	3 986	4 476	4 722	4 981
Computer services	7 619	17 495	19 680	25 400	15 257	15 257	26 782	29 658	31 789
Consultants and professional services:	79 624	85 640	53 043	57 359	56 088	56 088	50 867	63 021	63 605

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Business and advisory services									
Legal services	2 742	1 275	2 351	4 915	1 515	1 515	4 901	5 171	5 455
Contractors	14 311	4 403	1 808	8 745	3 455	3 789	8 821	9 044	9 541
Agency and support / outsourced services	389	338	378	100	400	400	101	107	113
Entertainment	2	4	8	53	53	53	56	59	62
Fleet services (including government motor transport)	4 442	1 939	1 212	2 478	2 878	2 878	2 671	2 818	2 973
Inventory: Food and food supplies	1								
Inventory: Materials and supplies	197								
Consumable supplies	581	2 259	3 510	2 105	2 248	2 036	2 253	2 376	2 506
Consumable: Stationery, printing and office supplies	2 841	3 604	3 580	3 959	3 636	4 024	4 596	4 785	5 048
Operating leases	12 362	21 962	21 471	23 840	25 650	25 650	25 214	26 601	28 064
Property payments	27 261	20 678	25 013	25 334	25 334	25 334	26 862	28 339	30 398
Travel and subsistence	4 277	3 929	5 962	8 387	5 568	5 536	8 990	9 178	9 691
Training and development	2 060	4 274	3 031	2 583	3 083	3 083	2 758	2 910	3 070
Operating payments	177	1 301	293	1 172	1 147	975	129	136	143
Venues and facilities	2 840	4 868	2 868	4 463	4 541	4 532	6 360	6 502	6 850
Rental and hiring	6 096	793	475	395	395	395	400	426	454
Transfers and subsidies	886 660	955 727	999 780	1 022 606	1 101 603	1 101 603	1 083 410	1 137 759	1 201 967
Departmental agencies and accounts	885 945	954 572	998 991	1 022 606	1 100 975	1 100 975	1 083 410	1 137 759	1 201 967
Provide list of entities receiving transfers	885 945	954 572	998 991	1 022 606	1 100 975	1 100 975	1 083 410	1 137 759	1 201 967
Non-profit institutions		500							
Households	715	655	789		628	628			
Social benefits	537	655	789		628	628			
Other transfers to households	178								
Payments for capital assets	15 008	17 555	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Machinery and equipment	14 924	16 988	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Transport equipment	2 120	4 846	4 793	6 836	5 836	5 836	7 217	7 614	8 033
Other machinery and equipment	12 804	12 142	12 412	6 800	5 658	5 658	7 298	7 699	8 122
Software and other intangible assets	84	567							
Payments for financial assets	2	107	10 892						
Total economic classification	1 270 844	1 359 269	1 409 824	1 510 450	1 536 399	1 536 399	1 581 240	1 674 950	1 774 792

TABLE 3.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	186 752	209 237	242 262	288 858	266 000	266 000	293 189	312 077	332 885
Compensation of employees	92 750	97 334	115 854	138 285	123 536	123 536	146 029	156 822	168 091
Salaries and wages	80 287	84 405	100 238	118 655	107 571	107 571	125 300	134 954	144 780
Social contributions	12 463	12 929	15 616	19 630	15 965	15 965	20 729	21 868	23 311
Goods and services	94 002	111 903	126 409	150 573	142 464	142 464	147 160	155 255	164 794
Administrative fees	609	615	171	113	164	196	398	421	444
Advertising	16 631	8 333	13 247	27 744	31 365	31 071	18 114	19 110	20 161
Minor assets	186	2 868	987		2 532	2 532			
Audit cost: External	4 293	3 792	5 329	5 300	4 300	4 300	5 577	5 884	6 208
Bursaries: Employees	799	1 006	897	1 900	1 750	1 750	1 991	2 101	2 217
Catering: Departmental activities	339	526	330	1 070	1 090	1 090	1 206	1 272	1 342
Communication (G&S)	4 772	6 673	5 536	4 587	3 600	3 894	4 476	4 722	4 981
Computer services	7 619	17 495	19 593	25 300	14 962	14 962	26 282	27 728	29 753
Consultants and professional services: Business and advisory services	2 168	5 290	14 371	4 540	11 003	11 003	4 564	4 815	5 080
Legal services	2 742	1 275	2 351	4 915	1 515	1 515	4 900	5 170	5 454
Contractors	8 683	4 365	1 421	8 488	3 163	3 163	8 520	8 989	9 483
Agency and support / outsourced services	389	338	378	100	400	400	100	106	112
Entertainment	2	4	6	53	53	53	56	59	62
Fleet services (including government motor transport)	4 442	1 939	1 197	2 438	2 438	2 438	2 671	2 818	2 973
Inventory: Food and food supplies	1								
Inventory: Materials and supplies	197								
Consumable supplies	576	1 349	2 620	2 100	2 159	1 772	2 247	2 370	2 500
Consumable: Stationery, printing and office supplies	2 834	3 198	3 514	3 179	3 105	3 492	3 370	3 555	3 751
Operating leases	12 362	21 962	21 471	23 840	25 650	25 650	25 214	26 601	28 064
Property payments	17 713	20 343	25 005	25 334	25 334	25 334	26 862	28 339	30 398
Travel and subsistence	1 767	1 561	3 088	4 140	2 274	2 242	4 396	4 638	4 894
Training and development	2 060	4 071	3 031	2 583	3 083	3 083	2 758	2 910	3 070
Operating payments	97	1 285	293	128	103	103	129	136	143
Venues and facilities	2 452	3 089	1 313	2 572	2 272	2 272	3 179	3 353	3 537
Rental and hiring	269	526	259	150	150	150	150	158	167
Transfers and subsidies	311	858	313		218	218			
Non-profit institutions		500							
Households	311	358	313		218	218			
Social benefits	133	358	313		218	218			
Other transfers to households	178								

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for capital assets	15 008	17 287	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Machinery and equipment	14 924	16 988	17 205	13 636	11 494	11 494	14 515	15 313	16 155
Transport equipment	2 120	4 846	4 793	6 836	5 836	5 836	7 217	7 614	8 033
Other machinery and equipment	12 804	12 142	12 412	6 800	5 658	5 658	7 298	7 699	8 122
Software and other intangible assets	84	299							
Payments for financial assets	1	106	10 891						
Total economic classification	202 072	227 488	270 671	302 494	277 712	277 712	307 704	327 390	349 040

TABLE 3.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INTERGRATED ECONOMIC DEVELOPMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	11 487	9 268	12 438	19 810	11 785	11 785	24 021	27 961	26 659
Compensation of employees	8 775	9 222	12 364	19 810	11 785	11 785	24 021	25 269	26 659
Salaries and wages	7 757	7 993	10 671	16 649	10 149	10 149	20 683	21 748	22 944
Social contributions	1 018	1 229	1 693	3 161	1 636	1 636	3 338	3 521	3 715
Goods and services	2 712	46	73					2 692	
Administrative fees	12								
Advertising	1 083								
Catering: Departmental activities	5								
Consultants and professional services: Business and advisory services	1 500							2 692	
Contractors									
Travel and subsistence	112	30	50						
Operating payments		16							
Venues and facilities			23						
Transfers and subsidies	290 471	236 744	244 969	300 694	232 759	232 759	245 771	260 595	275 292
Departmental agencies and accounts	290 438	236 718	244 930	300 694	232 689	232 689	245 771	260 595	275 292
Provide list of entities receiving transfers	290 438	236 718	244 930	300 694	232 689	232 689	245 771	260 595	275 292
Households	33	26	39		70	70			
Social benefits	33	26	39		70	70			
Other transfers to households									
Payments for capital assets									
Payments for financial assets									
Total economic classification	301 958	246 012	257 407	320 504	244 544	244 544	269 792	288 556	301 951

TABLE 3.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADE AND SECTOR DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	475		6 921	6 257	5 491	5 491	6 728	7 097	7 486
Compensation of employees	469		6 887	6 257	5 491	5 491	6 606	6 969	7 352
Salaries and wages	430		6 466	6 234	5 319	5 319	6 582	6 944	7 326
Social contributions	39		421	23	172	172	24	25	26
Goods and services	6		34				122	128	134
Administrative fees									
Catering: Departmental activities	6						26	27	28
Contractors									
Travel and subsistence			34				59	62	65
Transfers and subsidies	577 778	677 185	731 032	696 891	842 465	842 465	811 287	851 993	900 304
Departmental agencies and accounts	577 778	677 185	731 032	696 891	842 415	842 415	811 287	851 993	900 304
Provide list of entities receiving transfers	577 778	677 185	731 032	696 891	842 415	842 415	811 287	851 993	900 304
Households					50	50			
Social benefits					50	50			
Other transfers to households									
Payments for capital assets									
Payments for financial assets	1								
Total economic classification	578 254	677 185	737 953	703 148	847 956	847 956	818 015	859 090	907 790

TABLE 3.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: BUSINESS REGULATION AND GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	37 373	32 222	43 068	39 771	35 728	35 728	42 054	44 368	49 246
Compensation of employees	24 342	26 805	26 106	32 125	30 462	30 462	33 924	35 788	40 196
Salaries and wages	21 302	23 537	22 820	27 144	26 578	26 578	28 664	30 239	34 162
Social contributions	3 040	3 268	3 286	4 981	3 884	3 884	5 260	5 549	6 034
Goods and services	13 031	5 417	16 962	7 646	5 266	5 266	8 130	8 580	9 050
Administrative fees	90	8	20	101	101	101	100	100	105
Advertising	46	327	736	430	1 026	1 026	264	295	360
Catering: Departmental activities	504	568	472	1 080	350	359	688	737	767
Communication (G&S)	32								
Consultants and professional services: Business and advisory services	4 662	2 705	13 915	2 707	661	661	3 348	3 501	3 651
Contractors	36	28	244	257	62	62	16	55	58
Agency and support / outsourced services									
Entertainment			2						
Inventory: Materials and supplies									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Consumable supplies	5	2	403	5	89	261	6	6	6
Consumable: Stationery, printing and office supplies	7	12	61	40	111	111	56	59	62
Operating leases									
Travel and subsistence	1 632	1 108	618	1 512	640	640	1 937	2 050	2 171
Training and development									
Operating payments				1 044	1 044	872			
Venues and facilities	251	469	442	465	777	768	1 710	1 767	1 856
Rental and hiring	5 766	190	32	5	5	5	5	10	15
Transfers and subsidies	17 855	40 719	23 320	25 021	25 891	25 891	26 352	25 171	26 371
Departmental agencies and accounts	17 729	40 669	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Provide list of entities receiving transfers	17 729	40 669	23 029	25 021	25 871	25 871	26 352	25 171	26 371
Households	126	50	291		20	20			
Social benefits	126	50	291		20	20			
Other transfers to households									
Payments for capital assets									
Payments for financial assets		1							
Total economic classification	55 228	72 942	66 388	64 792	61 619	61 619	68 406	69 539	75 617

TABLE 3.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ECONOMIC PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	133 087	135 153	77 259	119 512	104 298	104 298	117 323	130 375	140 394
Compensation of employees	38 979	51 357	46 370	61 829	51 853	51 853	65 291	68 954	75 596
Salaries and wages	34 709	46 123	41 524	53 906	46 205	46 205	56 925	60 128	65 858
Social contributions	4 270	5 234	4 846	7 923	5 648	5 648	8 366	8 826	9 738
Goods and services	94 108	83 796	30 889	57 683	52 445	52 445	52 032	61 421	64 798
Administrative fees	448	751	472	310	650	310	163	172	181
Advertising	5 960						600		
Catering: Departmental activities	200	927	1 481	1 890	1 910	1 910	2 080	2 104	2 221
Communication (G&S)	22	6	1	90	90	92			
Computer services			87	100	295	295	500	1 930	2 036
Consultants and professional services: Business and advisory services	71 294	77 645	24 757	50 112	44 424	44 424	42 955	52 013	54 874
Legal services							1	1	1
Contractors	5 592	10	143		230	564	285		
Agency and support /							1	1	1

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
outsourced services									
Entertainment									
Fleet services (including government motor transport)				40	40	40			
Inventory: Materials and supplies									
Consumable supplies		908	487			3			
Consumable: Stationery, printing and office supplies		394	5	740	420	421	1 170	1 171	1 235
Property payments	9 548	335	7						
Travel and subsistence	766	1 230	2 172	2 735	2 654	2 654	2 598	2 428	2 561
Training and development		203							
Operating payments	80								
Venues and facilities	137	1 310	1 090	1 426	1 492	1 492	1 434	1 343	1 416
Rental and hiring	61	77	185	240	240	240	245	258	272
Transfers and subsidies	245	221	146		270	270			
Households	245	221	146		270	270			
Social benefits	245	221	146		270	270			
Other transfers to households									
Payments for capital assets		268							
Machinery and equipment									
Other machinery and equipment									
Software and other intangible assets		268							
Payments for financial assets			1						
Total economic classification	133 332	135 642	77 406	119 512	104 568	104 568	117 323	130 375	140 394

VOTE 4

DEPARTMENT OF HEALTH

To be appropriated by vote in 2019/20	R 50 767 163 000
Responsible Executing Authority	MEC for Health
Administering Department	Department of Health
Accounting Officer	Head of Department

1. OVERVIEW

Vision

Daily we provide high - quality, efficient and accessible health services towards long and healthy lives to transform people's lives.

Mission

Create an effective public health system in Gauteng by ensuring we have the right people, skills, systems and equipment to provide the health services our citizens need to live healthy, quality lives

Strategic Goals

- Improved maternal, infant, and child health and well-being;
- Reduce the burden of disease and promote healthy lifestyles;
- Reduced rate of new infections and burden of HIV & AIDS and TB;
- Increased equal and timely access to efficient and quality health care services, thereby roll-out of NHI; and
- Excellence in clinical and non-clinical support functions.

Core functions and responsibilities

- Provision of primary health care services through the district health system by means of a network of provincial clinics; community health centres and district hospitals administered by doctors, nurses and other health professionals;
- Provision of emergency medical services and planned patient transport throughout the province;
- Rendering secondary health care services through regional hospitals that provides out- and in-patient care at general and specialist levels;
- Provision of specialised in-patient care for psychiatric and infectious diseases, and some tuberculosis (TB) and chronic psychiatric services on an outsourced basis;
- Provision of in-patient and out-patient academic health care services through the central, tertiary and dental hospitals; in addition to the teaching that takes place at other service levels;
- Training of future health care professionals in health sciences faculties and nursing colleges; and
- Delivering of forensic pathology services and clinical-medico legal services.

These services are supported through human resource development; management and support services such as laundries, facilities management and cook-freeze; and through supplying medical and pharmaceutical materials.

The National Development Plan

The National Development Plan (NDP) sets out nine long-term health goals for South Africa. Five relate to improving the health and well-being of the population, and the other four deal with aspects of strengthening health systems. By 2030, South Africa should have:

- Raised the life expectancy of South Africans to at least 70 years;
- Progressively improved TB prevention and cure;
- Reduced maternal, infant and child mortality;
- Significantly reduced the prevalence of non-communicable diseases;
- Reduced injury, accidents and violence by 50 percent from 2010 levels;

- Completed health system reforms;
- Primary healthcare teams providing care to families and communities;
- Universal health care coverage; and
- Filled posts with skilled, committed and competent individuals.

The NDP priorities will be implemented over three electoral cycles. The Medium Term Strategic Framework (MTSF) 2014-2019, which takes its mandate from the NDP, creates the umbrella goals for the health sector. These goals are to:

- Prevent and successfully manage HIV & AIDS and TB;
- Reduce maternal, infant and child mortality;
- Improve health facility planning and infrastructure delivery;
- Reduce health care costs;
- Efficient health management information system for improved decision-making;
- Improve quality of health care;
- Re-engineer primary health care;
- Achieve universal health coverage through implementation of NHI;
- Improve human resources for health; and
- Improve health management and leadership.

Ten Pillar programme of Transformation, Modernisation and Re-industrialisation

The Gauteng Provincial Government (GPG) has adopted a ten-pillar programme aimed at radically transforming, modernising and re-industrialising the province over the next five to fifteen years with special focus on accelerated social transformation.

In responding to the call from GPG to accelerate social transformation, the department has committed to the priorities for the period 2015-2020 and commenced implementation from the 2014/15 financial year.

Acts, rules and regulations

- Intergovernmental Relations Framework Act, 13 of 2005;
- Broad Based Black Economic Empowerment Act, 53 of 2003;
- The National Health Act, 61 of 2003;
- Mental Health Care Act, 17 of 2002;
- Unemployment Insurance Contributions Act, 4 of 2002;
- Promotion of Access to Information Act, 2 of 2000 ;
- Promotion of Administrative Justice Act, 3 of 2000;
- Promotion of Equality and the Prevention of Unfair Discrimination Act, 4 of 2000;
- Preferential Procurement Policy Framework Act, 5 of 2000;
- Protected Disclosures Act, 26 of 2000;
- National Health Laboratory Service Act, 37 of 2000;
- Council for Medical Schemes Levy Act, 58 of 2000;
- Public Finance Management Act, 1 of 1999;
- Tobacco Products Control Amendment Act, 12 of 1999;
- State Information Technology Act, 88 of 1998;
- Competition Act, 89 of 1998;
- Copyright Act, 98 of 1998;
- Sterilisation Act, 44 of 1998;
- Employment Equity Act, 55 of 1998;
- Skills Development Act, 97 of 1998;
- Medical Schemes Act, 131 of 1998;
- Public Service Commission Act, 46 of 1997;
- Basic Conditions of Employment Act, 75 of 1997;
- Public Service Regulations, 2001, as amended;
- Labour Relations Act, 66 of 1995, as amended;
- The Constitution of South Africa Act, 108 of 1996, as amended;
- Intergovernmental Fiscal Relations Act, 97 of 1997;
- Medicines and Related Substances Act, 101 of 1965, as amended 1997;
- Choice on Termination of Pregnancy Act, 92 of 1996;
- Public Service Act, Proclamation 103 of 1994;

- Occupational Health and Safety Act, 85 of 1993;
- Trade Marks Act, 194 of 1993;
- Designs Act, 195 of 1993;
- SA Medical Research Council Act, 58 of 1991;
- Control of Access to Public Premises and Vehicles Act, 53 of 1985;
- Child Care Act, 74 of 1983;
- Allied Health Professions Act, 63 of 1982;
- Dental Technicians Act, 19 of 1979;
- Nursing Act, 50 of 1978;
- Patents Act, 57 of 1978;
- International Health Regulations Act, 28 of 1974;
- Pharmacy Act, 53 of 1974;
- Health Professions Act, 56 of 1974;
- Occupational Diseases in Mines and Works Act, 78 of 1973;
- Hazardous Substances Act, 15 of 1973;
- Foodstuffs, Cosmetics and Disinfectants Act, 54 of 1972;
- Conventional Penalties Act, 15 of 1962;
- State Liability Act, 20 of 1957;
- Merchandise Marks Act, 17 of 1941; and
- Treasury Regulations.

Specific provincial health legislation

- National legislation and policy is further supported by the following provincial legislation:
- The Gauteng Ambulance Services Act, 2002;
- The Gauteng District Health Services Act, 2000; and
- The Hospital Ordinance Act, 1958, as amended 1999.

Other policy imperatives guiding the work of the GDoH include the following:

- National Development Plan 2030;
- Gauteng Vision 2055;
- GCR game changers;
- GPG 10 Pillar Programme;
- Provincial government's five year strategic programme of action;
- National Health MTSF;
- Provincial Medium Term Strategic Framework;
- The Batho Pele principles of social service delivery and the Service Delivery Charter;
- Policy and Procedure on the Revolving Door Enabler document;
- Public Health and Welfare Sector Bargaining Council (PHWSBC);
- PSCBC Resolution 9 of 2001; and
- PSCBC Resolution 3 of 1999.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

Outcome 1: Strengthening health systems and NHI rollout

Output 1: NHI rollout in all districts

The department is on track with regards to Primary Health Care (PHC) re-engineering, which is a key pillar and bedrock in the implementation of the NHI. All five districts now have District Clinical Specialist Teams (DCST). These DCSTs comprises clinical specialists (Obstetrician and Gynaecologist, Paediatrician, Anaesthetist, Family Physician, Advanced Mid-wife, Paediatricians Nurse and PHC Nurse) who provide training support, mentoring and monitoring of health facilities to improve their maternal, neonatal, and child health services. The DCSTs are key in providing critical support to district health facilities in the areas of clinical effectiveness, clinical risk management, professional development and management.

The growing investment in outreach programmes and the NHI project further attest to the commitment to universal coverage and ensuring that health services are organised around people's needs and expectations. In this regard, the department has expanded Ward Based Outreach Teams (WBOTs) from 202 teams in the year 2014 to 787 teams by end of the third quarter of the period under review.

Access to affordable essential medicines is a vital and fundamental component of an efficient health care system. To demonstrate its commitment towards improved access to medicines, the department runs a Chronic Medicines Dispensing programme for stable patients who are on chronic medicines. The improvement in access to medicines exceeded the target of 350 000 by reaching 410 075 patients enrolled on the Centralised Chronic Medicine Dispensing and Distribution (CCMDD) programme by the end of third quarter. The department has not only improved access to health services through its facilities, but also through Emergency Medical Services and increased facilities operating hours.

Output 2: Increased quality access to PHC facilities

The department continues to record high demand for services across its service platforms. In the period under review the department recorded a total of 1 413 million patient visits at its out-patient departments with the least patient visits occurring at district hospitals. This continues to show a trend of under-utilisation of PHC facilities while visits at higher levels of care are on the increase.

The total number of WBOTs is 776, exceeding the target of 775. These WBOTs conducted household visits and attended to 790 792, comprising of adults as well as children above 5 years. This is an improvement when compared to over the 600 000 patients attended to in the same period last financial year.

In addition to the afore-mentioned performance, 22 637 learners were screened at the end of the third quarter. This indicates the increased demand for services as compared to the 14 882 learners seen in the same period of the last financial year. The department also recorded increasing demand for services at the Out-Patient Departments (OPD) and PHC facilities resulting in more of patients' visits as compared to the previous year.

To improve access to health services, the department has increased the number of facilities providing 24 hours services from 29 to 30, out of a total 32 Community Health Centres (CHCs). The remaining two facilities are targeted for the 2020/21 financial year due to the financial and human resources implications resulting from the alteration of facilities' operating hours. It must be noted, however, that all the Memorandums of Understanding (MOU) do provide for a 24-hour service.

Output 3: Improved quality of health care

Assessment of PHC facilities is conducted on a regular basis to determine their Ideal Clinic status. The Gauteng department remains a leader in terms of the proportion of facilities given the Ideal Clinic status nationally. Gauteng achieved the highest percentage of Ideal Clinics across the country from 2015 to 2018 with 75 per cent (281 of 372) of clinics accredited as ideal. This improvement was attained due to monitoring of and providing support to under-performing facilities.

At the end of the third quarter, EMS P1 urban response under 15 minutes rate improved to 84.3 per cent as compared to the 81.2 per cent baseline of the 2017/18 financial year. Interfacility rate (although below the expected threshold and target), is exhibiting a concerning increase regarding the necessity of strengthening the referral system further, and also ensuring that facilities facilitate the correct use of emergency vehicles in the department.

National Core Standards assessments are carried-out at targeted hospitals to ensure that there is real improvement regarding the 6 core standards. With regards to district hospitals, all except two attained the 75 per cent score. The regional and central hospitals were also able to achieve their target score of 75 per cent. Infection control remains a concern and is being addressed.

The average length of stay (ALOS) remained within range at regional and tertiary hospitals; while central hospitals continue to attract a high number of patients in the province, leading to the ALOS constantly remaining above the quarterly target range. Bed occupancy at district hospitals has improved positively, thereby affecting the bed-utilisation rate.

By the end of the third quarter, 764 599 and 325 946 patients were attended to at the Out-Patient Departments (OPD) of central hospitals and regional hospitals respectively. These two afore-mentioned hospitals recorded the highest volumes as compared to tertiary and district hospitals.

The high demand for public health care services in the province is attributable to several factors, such as; rapid urbanisation, high burden of disease, the successful rollout of the Antiretroviral Treatment (ART) programme; as well as the decreasing number of the population on medical aid. These included women seen for antenatal care, deliveries and postnatal care, immunisation, family planning and treatment for chronic illnesses.

Output 4: Health sector management

The department continues to strengthen its governance systems. In the third quarter, the department redefined the mandate of the hospital boards from that of advisory to governance oversight. This will improve governance and accountability in the hospitals. Additional milestones to strengthen the system include the implementation of the decentralisation of projects that aims to strengthen the district health system through the delegation of power to the coalface of service delivery.

Combining various clinical governance teams has closed the gap between the administrative and clinical interface and supports various service improvement initiatives of the department particularly; in the priority programmes that are targeted for improvement such as mental health; maternal and neonatal; accidents and emergency departments. The focus on

modernisation has enabled the department to implement document and record management portals that simplifies the sharing and transmission of documents across the organisation, including the use of business tools such as Skype for business. The department is pilot-testing data collection at three facilities focusing on accident and emergency, in-patient departments and theatres in line with the recovery road map commitments.

In addition to the afore-mentioned initiatives there are several management structures and posts that are critical that had to be filled, key being the appointment of the two central hospitals CEOs and appointment of the department's Chief Risk Officer. Implementation of the business continuity plan following the Bank of Lisbon fire assisted in minimising business interruptions.

Output 5: Improved human resources for health

During the third quarter, various initiatives were implemented to address limited performance against indicators identified in the first quarter. By the end of the third quarter, numerous areas on human resource development and revenue management improved whilst limited progress was observed on ICT and labour-related matters. Targets for equity measures were not achieved, however the overall performance has improved.

There is a remarkable growth in the number of Persons with Disabilities (PwD) captured on the PERSAL system, i.e. from 370 to 1071 as at the end of August 2018. This is as a result of the workshops on Policy on Reasonable Accommodation and Assistive Devices (PRAAD) and encouragement of employees who have not declared their disability status to do so. With regard to performance of members of Senior Management Service, all managers have contracted across the board but submission of quarterly assessments is still a challenge.

Outcome 2: Decrease infant, child and maternal mortality

The department supported pregnant women by providing a safe environment in the delivery of 54 957 babies in the third quarter. The highest number of deliveries was in City of Johannesburg Metropolitan Municipality with 32 per cent (17 842) and the lowest number of deliveries was in Sedibeng District Municipality with 6.7 per cent (3 702) during the third quarter of 2018/19.

The department fully vaccinated 54 983 children under 1 year during the third quarter, contributing to the total number of children vaccinated from April 2018 to December 2018 to 163 472 with a coverage rate of 83.1 per cent. Second doses of Measles were provided to 151 250 children. At the end of the third quarter, a decline in neonatal, child and maternal mortality rates resulted in 123.7 per 100 000 in-facility maternal mortality.

Efforts to prevent maternal mortality at a strategic level include the implementation of a recovery plan on maternal and neonatal health. At service delivery level, Antenatal Health Care services provided between April and December 2018 were provided to 126 467 women. The target of 65 per cent for ante-natal coverage before 20 weeks was exceeded. The latest National Saving Mother Report shows a continued decline in the numbers and mortality ratios of institutional maternal deaths since the peak in 2009. Almost 47 per cent decline in the numbers of deaths due to non-pregnancy related infections (mainly HIV deaths) was observed from the reported numbers in 2011. The decline in deaths is attributable to the success of the HIV-ART programme.

Outcome 3: Reduced burden of disease due to HIV and AIDS, TB

Service coverage for a number of health programmes improved in the third quarter as compared to the same period in the previous year, and the previous quarters of the current financial year. The department commits to improve the service coverage particularly for priority programmes. This has involved services of public health medicine specialists, DCST and family medicine specialists to support the service improvement initiatives.

The province tests a comparable highest number of clients in the country for HIV and great progress was made in the prevention of HIV/AIDS. A total of 1 504 296 people were tested as at the end of the third quarter which exceeded the set target of 1 320 924 million.

Prevention of Mother to Child Transmission of HIV (PMTCT) through vertical transmission remains a flagship success prevention programme with just under 1 per cent of the babies testing positive at ten weeks through the PCR test. Through the implementation of the Prevention of Mother to Child Transmission programme, the department continued to observe a decline in mother to child transmission of HIV and the latest results shows that fewer babies are now testing positive for HIV from 1.7 per cent reported last year to less than 0.99 per cent currently.

A total number of 786 389 female condoms were distributed against a target of 2 545 657 which was not reached due to challenges with the capacity of NDoH contractors to deliver. The distribution of male condoms target was exceeded. The total patients remaining in care is 969 066 and the impact of mobility remains and affect TB defaulter tracing over and above those on the ART treatment.

Outcome 4: Modernisation of the public service

In the quest to maximise the benefits of the fourth industrial revolution, the Provincial Executive Council approved the e-Health enterprise architecture for improvement of data integrity and business processes. The immense anticipated benefits include providing a single view of the Patient Electronic Health Records and real time health information for timely decision

making among other benefits. Challenges regarding the achievement of some of the e-Health targets remained and measures are being implemented to ensure that all challenges are addressed.

Outcome 5: Re-industrialisation of health economy

In the third quarter, the department spent 12 per cent of budget on township enterprises against identified commodities achieved in the same quarter of the previous financial year. The target of 40 per cent could not be achieved.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

The department's commitment to providing high quality, efficient and accessible health care to transform people's lives, will be through the implementation of accelerated social transformation as one of the TMR pillars and the 2015 Medium Term Strategic Framework. Therefore, the Gauteng Department of Health is committing to the following outcomes for the 2019 MTEF period:

- Strengthening health systems and NHI rollout focusing on the following outputs:
 - Continuing with the preparation of the implementation of NHI in all districts;
 - Intensifying the implementation of the Mental Health Act 17 of 2002;
 - Increasing the quality and access to PHC facilities;
 - Improving the quality of health care services;
 - Advancing the health sector management;
 - Improving financial management;
 - Improving human resources for health; and
 - Developing and managing the health infrastructure.
- Reducing the burden of HIV and AIDS and TB;
- Reducing the burden of maternal, infant and child morbidity and mortality;
- Addressing the social determinants of health;
- Re-industrialising the health economy; and
- Modernising the public health service.

Outcome 1: Strengthening health systems and NHI rollout

Output 1: NHI rollout in all districts

The department commits to the implementation of the new NHI Bill to ensure universal health service coverage. The department will strengthen the Health System Leadership, Governance through District Health System, health facilities in preparation for the NHI and the decentralisation of services to district level. The department will continue to implement requirements for NHI across all districts through the PHC re-engineering programme, quality assurance, health infrastructure programmes and the 'Ideal Clinic Project', which intends that all PHC facilities should obtain an "Ideal Clinic" status in the 2019/20 financial year, as well as the Ideal Hospitals Accreditation System.

Output 2: Increased quality and access in PHC facilities

The department continues with the implementation of PHC services through the three streams of PHC re-engineering. The aim being to enhance community transformation using the community-based model; and the integration of ward-based outreach teams (WBOTs), clinics, CHCs and district hospitals. In addition, the department will continue to improve access to PHC services through strengthening of District Clinical Specialist Teams (DCSTs), school health services, WBOTs to contribute to the reduction of maternal, infant and child mortality in all districts. In addition, all Primary Health Care facilities will continue to provide integrated Mental Health Care Services.

Output 3: Improved quality of health care

The compliance of all hospitals and PHC facilities with the National Core Standards that are aimed at improving the patient experience of care remains a priority. The establishment of a functional Gauteng Health Accreditation Committee will ensure safe, efficient, effective, compassionate and high quality health care services. In addition, the department will continue to implement other strategies such as improving the availability of vital and essential medicines and patient safety, reduction of patient complaints, reduction of waiting time for out-patients, accident and emergency patients and the effective management of complaints across all facilities.

Output 4: Health sector management

The department will continue to improve the availability of the Essential and Non-Essential Drug List (EDL) through ensuring sustainability of direct deliveries from suppliers to all facilities to improve patient care and provision of medicines. The Centralised Chronic Medication Dispensing and Distribution Programme (CCMDD) will be expanded to non-NHI pilot districts, including hospitals caring for 600 000 stable chronic patients in the 2019/20 financial year. Full implementation of the Medical Supplies Depot (MSD) online system will assist in the procurement of medicines from suppliers and distribution to facilities.

The department will continue to implement the EMS norms and standards to improve patients' safety and increase EMS response times, within 15 minutes for priority 1 urban calls and within 40 minutes in rural areas to 78 per cent and 100 per cent respectively in 2019/20. The implementation of a bed bureau management system in all hospitals will continue and a complete integrated computer-aided call taking and dispatch system, which includes an ePRF (electronic Patient Report Form) and response application. The department will continue to strengthen the implementation of the National EMS Regulations, to comply with minimum infrastructure requirements, skills mix and medical and allied equipment. The provincialisation of the City of Johannesburg EMS will be completed within the 2019/20 financial year as part of improvement in resource management and strengthening economies of scale.

Output 5: Improved human resources for health

The department will continue with professionalisation of Human Resource Management. The implementation of the PHC Normative Guide informed by the Workload Indicators of Staffing Needs (WISN) remains a priority to provide appropriate staffing levels and distribution of health professionals. The department will continue using the new bursary model for the awarding of bursaries to first year nurses annually. The department will ensure that the Performance Management System improves productivity, addresses poor attitudes and reduces absenteeism, through the implementation of an electronic performance management system and competency assessment in the 2019/20 financial year. The department will also mainstream employment equity and gender equality and employ youth and persons with disabilities.

Output 6: Health infrastructure development and management

The department will continue with strategies to invest in health infrastructure through improved health infrastructure design, delivery and maintenance and ensuring compliance with statutory requirements across the department. The implementation of the Green Agenda will continue in partnership with the Gauteng Department of Infrastructure (DID). The department will continue to focus on the planning of major hospital construction projects including Daveyton; Discoverers; Diepsloot; Khayalami; Sebokeng; Jubilee; Kalafong; Yusuf Dadoo; Tambo Memorial; Lillian Ngoyi; and Soshanguve. The department will continue with the construction of clinics (Greenspark, Kekanastad, Dilopye, Boikhutsong, Sebokeng Zone 17, Finetown, and Mandisa Siceka) over the 2019 MTEF.

Outcome 2: Reduced burden of maternal, infant and child morbidity and mortality

The department will continue to implement the Campaign on Accelerated Reduction of Maternal and Child Mortality in Africa (CARMMA), aimed at reducing maternal mortality to less than 90 per 100 000 live births in the 2019/20 financial year. The focus will continue to be on service integration, which is a holistic clinical governance programme. The programme strengthens social behaviour change, the communication strategy for early antenatal care, early antenatal booking and initiation of ARVs to HIV positive antenatal care mothers, the provision of dedicated obstetric ambulances to ensure prompt transfer of women in labour and mothers in emergencies in all maternity and obstetric units (MOUs) across the department and postnatal care visits.

The reduction of neonatal mortality to less than 13 per 1000 live births in 2019/20 remains a priority, with special focus on the reduction of mother to child transmission to less than 1 per cent. The focus is also on improving vitamin A and immunisation coverage for children below one year of age, to 98 per cent in the 2019/20 financial year. The department will continue to focus on family planning and quality contraceptive devices to strengthen and promote access to comprehensive sexual and reproductive health programmes. The promotion of health screening of learners in schools to address health barriers to learning through the Integrated School Health Programme will remain a priority. The screening for cervical cancer and provision of Human Papillomavirus (HPV) vaccine to grade 4 school girls will continue in the 2019/20 financial year.

Outcome 3: Reducing the burden of HIV and AIDS, TB

The department continues to focus on the prevention of new HIV infections through a combination of HIV prevention for youth programmes, especially young women and their sex partners. The prevention programme includes implementing the "She Conquers as well as Dreams" campaigns; PASSOP awareness and education platforms; increased the distribution of male and female condoms, expansion of medical male circumcision (MMC) sites and increasing the ART start rate for HIV positive pregnant women to 97 per cent in the 2019/20 financial year. In addition, the department will sustain implementation of the HIV-Universal Test and Treat (UTT) strategy, with decongestion of facilities. The implementation of the UNAIDS 90-90-90 strategy for HIV and AIDS and TB will continue to reduce the burden of HIV/AIDS and TB.

The department will intensify the TB patient testing, screening and treatment initiation programmes to improve the treatment success rate to 90 per cent, while decreasing the lost-to-follow up rate to 5.5 per cent in the 2019/20 financial year. The decentralised management of drug-resistant TB with a focus on early detection and treatment strengthens the effectiveness and efficiency of the MDR-TB control programme through partnership with civil society, inter-departmental and external stakeholders.

Outcome 4: Addressing social determinants of health

The department will continue to promote health and wellness to reduce the high burden of disease, which includes trauma, mental health, cancer, diabetes, hypertension, HIV/AIDS and TB exacerbated by crime and substance abuse through the

implementation of the Health Promotion and Wellness Revolution campaigns, the screening of health clients and multi-sectoral healthy lifestyle interventions for tackling the social determinants of health.

Outcome 5: Modernisation of the public service

The Transformation, Modernisation and Re-industrialisation (TMR) objectives remains essential in ensuring that Gauteng Health consolidates all ICT systems, infrastructure and resources towards an integrated, interoperable e-Health and m-Health enterprise-wide architecture. The implementation of the e-Health architecture will contribute significantly towards improving patient care, empowering patients to understand their health, gaining access to the health systems and improving efficiency of the health system. These benefits will be realised by focusing on the integration of all clinical and non-clinical systems, the implementation of a single integrated interoperable Health Information System, a Clinical Data Repository, Business Analytics and the upgrading of the Local Area Network infrastructure in all hospitals and PHC facilities. The department will ensure functionality of broadband in all hospitals and PHC facilities.

Outcome 6: Re-industrialisation of health economy

The department will continue to contribute to the re-industrialisation of Gauteng as the country's economic hub through the localised production and procurement of goods and services such as bread, vegetables and dairy products from township enterprises. It will also create a platform for female cooperatives to supply linen to hospitals across the province. The department will continue to utilise automotive repair centres for all vehicles related to health services in partnership with engineering faculties and technical colleges/technicians.

4. REPRIORITISATION

A total amount of R189.9 million and R259.1 million is reprioritised in the 2019/20 and 2020/21 financial years from the item, transfers and subsidies to municipalities within Programme 3: Emergency Medical Services. The reprioritisation is due to the provincialisation of EMS in the City of Tshwane. A total amount of R110.6 million in 2019/20, R116.7 million in 2020/21 and R123.1 million in 2021/22 is reprioritised from transfers to non-profit institutions to goods and services in Programme 4: Provincial Hospital Services under the Psychiatric/Mental hospital Sub-programme. This is due to the reclassification of the budget allocated to mental health services which was initially provided by Life Health Care and Clinix Group. The implementation of this reprioritisation was to comply with the Classification Circular 21 of 2018.

The department reprioritised the goods and services budget over the 2019 MTEF to increase compensation of employees to pay community health workers under the HIV and AIDS sub-programme from PERSAL. In overall, the budget of the department is reprioritised within programmes to cater for essential items.

The following key assumptions were considered when embarking on a reprioritisation exercise:

- Intent financial stabilisation and addressing the challenge of accruals and medico-legal claims;
- Funding of the cost of the current staff establishment already existing in the system;
- Procurement and inventory management reforms;
- Healthcare utilisation trends across facilities, primary healthcare services versus tertiary healthcare levels; and
- Spending trends across and within goods and services items.

5. PROCUREMENT

The procurement and contract management processes in the department still calls for substantial improvement. Thus, the department will robustly review these processes in its quest to continue to implement cost containment measures and realise efficiency gains. The department will achieve this through:

- Implementing strategic sourcing for the identified commodities by arranging departmental own term contracts. This will include the arrangement of a travel management services contract in line with the National Travel Policy Framework (NTPF);
- A phased-in implementation approach towards eradicating procurement of goods and services by means of limiting invitation on price quotations;
- Increased participation on the transversal contracts arranged by the National and Provincial Treasuries (this will assist in gaining the economies of scale);
- Limiting the procurement of non-essential commodities; and
- Implementing contract management system to flag the expiry of contracts at least six months prior to expiry.

The department will strengthen and implement control measures and where appropriate implement consequence management as a new trajectory towards reducing the irregular expenditure that emanates from the supply chain management process by ensuring that no cases are split and no extensions of contract are granted as a result of poor planning.

The department will also ensure that it is represented at all bid committees of the implementing agents (i.e. GDID) and arrange the transversal term contracts for consignment stocks. The department will continue to uphold the principles of procurement by ensuring that all contracts are awarded within the validity period and in a manner that is fair, equitable, transparent, competitive and cost-effective.

As part of the continuous implementation of cost containment measures the department will return all vehicles that are on the old permanent hire scheme (this scheme has proven to be more expensive) to G-Fleet and replace them with full maintenance lease. Furthermore, the department will ensure that procurement strategies are responsive towards achieving the set provincial targets of the Gauteng Township Economy Revitalisation (TER) Strategy and Preferential Procurement Policy Framework Act (PPPF).

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 4.1: SUMMARY OF RECEIPTS: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	27 671 653	28 998 597	32 437 046	35 921 150	36 325 959	36 325 959	39 196 858	41 812 240	45 225 741
Conditional grants	7 665 435	8 658 260	9 755 788	10 508 176	10 536 371	10 536 371	11 570 305	12 488 920	13 606 535
Comprehensive HIV And AIDS Grant	2 928 300	3 274 407	3 744 381	4 239 277	4 239 277	4 239 277	4 766 734	5 279 737	5 978 288
Social Sector EPWP Incentive Grant For Provinces	2 051	4 200	2 663	1 470	1 470	1 470	26 197		
Health Facility Revitalisation Grant	313 630	777 818	976 828	874 842	892 084	892 084	859 028	909 450	980 733
Health Professions Training And Development Grant	829 604	865 244	919 432	972 759	983 712	983 712	1 027 240	1 083 738	1 143 343
National Health Insurance Grant	10 206	7 543							
National Tertiary Services Grant	3 572 856	3 727 048	4 110 484	4 390 192	4 390 192	4 390 192	4 724 843	5 041 407	5 318 684
EPWP Integrated Grant For Provinces	8 788	2 000	2 000	2 324	2 324	2 324	2 187		
Human Papillomavirus Vaccine Grant				27 312	27 312	27 312	28 841	30 427	32 100
Human Resources Capacitation Grant							135 235	144 161	153 387
Total receipts	35 337 088	37 656 857	42 192 834	46 429 326	46 862 330	46 862 330	50 767 163	54 301 160	58 832 276

The total budget of the department amounts to R50.8 billion in 2019/20, R54.3 billion in 2020/21 and R58.8 billion in the 2021/22 financial year, amounting to a total of R163.9 billion over the 2019 MTEF, comprising of both equitable share and conditional grants. The conditional grants account for 23 per cent while the equitable share accounts for 77 per cent of the total budget in the 2019/20 financial year.

The equitable share of the department increases from R35.9 billion in 2018/19 to R39.1 billion in the 2019/20 financial year due to inflationary related adjustments made to the baseline and additional funding allocated to fund priorities. In relation to additional funding over the 2019 MTEF, an amount of R333.7 million is allocated to supplement the budget allocated to the South African Cuban Student Doctor programme. In addition, R1.3 billion is allocated to cover the shortfall on the personnel budget, R950.4 million is allocated to ease budget pressures on the goods and services and R150.1 million is allocated for the department to obtain suitable office accommodation following the fire incident in the Bank of Lisbon building.

Furthermore, the equitable share allocation grows from R39.2 billion in 2019/20 to R41.8 billion in the 2021/22 financial year due to adjustments made in line with projected inflation including the carry-through effects of additional funding allocated to the department in the 2018/19 adjustment budget process. An amount of R1.6 billion is allocated for the payment of accrued liabilities in 2019/20, increasing to R1.7 billion in the 2020/21 financial year.

The introduction of the new conditional grant, namely the Human Resource Capacitation grant (as part of the President’s Stimulus Package) in the 2019 MTEF is a direct grant. This grant aims to achieve universal health access through the phased implementation of National Health Insurance and to improve access to quality healthcare services. A total of R432.7 million is allocated over the 2019 MTEF as the Human Resource Capacitation grant. The grant will fund community service and critical posts including (dentists, dieticians, physiotherapists, occupational therapists fund, medical officers, medical registrars, medical specialists, professional nurses, assistant nurses and enrolled nurses) throughout health facilities.

6.2 Departmental receipts

TABLE 4.2: SUMMARY OF DEPARTMENTAL RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	433 650	496 653	503 020	475 335	475 335	585 364	502 355	530 049	559 202
Transfers received			1			2 043			
Fines, penalties and forfeits	56	38	50	58	58	58	62	69	73
Interest, dividends and rent on land	939	1 749	974	1 422	1 422	1 423	1 502	1 582	1 669
Sales of capital assets			402			1			
Transactions in financial assets and liabilities	44 651	36 814	42 470	31 134	31 134	130 859	32 877	34 620	36 524
Total departmental receipts	479 296	535 254	546 917	507 949	507 949	719 748	536 796	566 320	597 468

The classification of departmental receipts is split between sales of goods and services other than capital assets; transfers received; fines, penalties and forfeits; interest, dividends and rent on land; sales of capital assets; and transactions in financial assets and liabilities.

The department’s own revenue is generated mainly from health patient fees. Other sources include sales of goods and services other than capital assets; transfers received; fines, penalties and forfeits; interest; dividends and rent on land, and transactions in financial assets and liabilities. Patient fees are adjusted annually in line with the Consumer Price Index (CPI) as determined by the National Department of Health. Interest, dividends and rent on land consist of interest from revenue associated with ownership of interest-bearing financial instruments. The department’s interest is generated from staff debt, which is collected and administered by the Department of e-Government. Transactions in financial assets and liabilities consist of debt owed to the department, as well as refunds relating to previous years’ expenditure.

Over the 2019 medium term revenue estimates have been revised upwards where the department estimates to collect R536.7 million in 2019/20 and R597.4 million in 2021/22 financial year.

7. PAYMENT SUMMARY

7.1 Key assumptions

The following key assumptions were applied when compiling the 2019 MTEF budget:

- Resource allocation to patients care and safety and strengthening of and investment in PHC to provide treatment at the appropriate level;
- Maternal and neo-natal care programme funding;
- Mental health care and Occupational Health and Safety improvements;
- Filling of critical posts and integration of community health care workers;
- Reprioritisation of baseline to sustain funding to existing priorities, particularly, the recapitalisation and replacement of EMS fleet, the payment of municipal services and the provision of blood services, medicine and medical supplies at all facilities;
- Provision for the non-negotiable line items as approved by the National Department of Health to improve the quality of health services;
- Reprioritisation of funds to effect the provincialisation of EMS services;
- Provision for the introduction of the stimulus package posts funded through the Human Resources Capacitation grant over the 2019 MTEF;

- Shifting budget from non-core items to core services;
- Phased-in approach for the in-sourcing of security services;
- E-health investment in the facilities;
- Cost of living adjustments as per the current wage bill agreement, pay progression, housing and other allowances;
- Improvements in conditions of service and the Occupational Specific Dispensation (OSD) for various categories of employees; and
- Re-classification of hospitals and equitable resource allocation.

7.2 Programme summary

TABLE 4.3: SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	807 358	851 488	1 085 177	893 938	1 040 024	1 451 353	876 426	924 876	927 745
2. District Health Services	11 075 547	11 992 093	13 683 513	15 305 140	15 338 030	15 613 548	17 212 688	18 524 377	19 924 120
3. Emergency Medical Services	940 319	1 010 469	1 219 274	1 450 885	1 469 107	1 406 611	1 541 714	1 586 670	1 673 936
4. Provincial Hospital Services	6 432 065	6 952 127	7 892 277	8 873 068	8 988 532	8 785 519	9 536 383	10 304 696	11 735 725
5. Central Hospital Services	12 582 282	13 387 424	15 316 687	16 675 956	16 715 556	17 567 049	18 263 481	19 377 309	20 508 676
6. Health Sciences And Training	938 834	1 054 063	918 987	1 043 393	1 120 893	1 176 620	1 248 743	1 321 553	1 605 555
7. Health Care Support Services	223 499	248 492	289 767	310 255	310 255	323 440	317 788	335 264	353 705
8. Health Facilities Management	1 864 651	1 943 911	1 607 777	1 876 691	1 879 933	1 879 933	1 769 940	1 926 415	2 102 814
Total payments and estimates	34 864 555	37 440 067	42 013 459	46 429 326	46 862 330	48 204 073	50 767 163	54 301 160	58 832 276

7.3 Summary of economic classification

TABLE 4.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	31 905 325	34 367 948	38 669 349	42 514 396	42 847 065	43 823 015	46 852 345	50 281 746	54 453 488
Compensation of employees	20 648 000	23 289 574	25 085 331	26 706 147	26 994 470	27 282 324	29 560 541	31 417 079	34 642 821
Goods and services	11 257 325	11 078 374	13 583 390	15 808 249	15 852 595	16 535 885	17 291 804	18 864 667	19 810 667
Interest and rent on land			628			4 806			
Transfers and subsidies to:	1 467 193	1 478 853	1 858 894	1 770 682	1 669 969	2 033 309	1 821 992	1 875 614	2 152 598
Provinces and municipalities	657 442	675 326	739 104	783 270	721 989	721 989	637 274	616 023	644 490
Departmental agencies and accounts	17 919	18 869	19 812	20 962	20 962	20 962	22 135	23 352	24 636
Higher education institutions	1 824	1 453	9 786	13 681	13 681	13 681	14 653	15 459	16 309
Non-profit institutions	523 218	465 844	556 250	769 084	664 528	664 528	809 961	859 790	875 004
Households	266 790	317 361	533 942	183 685	248 809	612 149	337 969	360 990	592 159
Payments for capital assets	1 481 189	1 582 158	1 476 113	2 144 248	2 345 296	2 345 296	2 092 826	2 143 800	2 226 190
Buildings and other fixed structures	784 988	935 368	615 434	949 697	1 020 767	1 020 767	580 803	590 830	680 811
Machinery and equipment	696 201	646 790	860 679	1 194 551	1 324 529	1 324 529	1 512 023	1 552 970	1 545 379
Software and other intangible assets									
Payments for financial assets	10 848	11 108	9 103			2 453			
Total economic classification	34 864 555	37 440 067	42 013 459	46 429 326	46 862 330	48 204 073	50 767 163	54 301 160	58 832 276

The department's expenditure increased from R34.8 billion in 2015/16 to an estimated R48.2 billion in the 2018/19 financial year. This was due to the increasing burden of disease, which resulted in accelerated expenditure mainly in the District Health Services, Provincial Hospital Services and the Central Hospital Services programmes, exacerbated by the payment of accruals and litigations from previous financial years.

The total appropriation increases from R46.4 billion in 2018/19 to R50.7 billion in the 2019/20 financial year. A total amount of R1.6 billion in 2019/20 and R1.7 billion in 2020/21 is allocated for the payment of accrued liabilities.

The Administration Programme budget decreases from R893.9 million in the 2018/19 financial year to R876.4 million in the 2019/20 financial year, due to a once-off allocation for computer services in the 2018/19 financial year.

Programme 2: District Health Services increase by R4.9 billion from R15.3 billion in 2018/19 to R17.2 billion in the 2019/20 financial year due to adjustments made to cater for the projected inflation and additional funding for priorities. Over the 2019 MTEF, funding is earmarked for accelerating the provision and improvement of PHC services through ward-based outreach teams, district clinical specialist teams and integrated school health services. The introduction of the Human Papillomavirus Vaccine grant as a direct conditional grant from the 2018/19 financial year onwards also contributed to the increase in the programme budget. An amount of R26.1 million is allocated for Social Sector EPWP in 2019/20 and forms part of the programme budget.

The budget allocated to Programme 3: Emergency Medical Services increases marginally from R1.45 billion in 2018/19 to R1.54 billion in the 2019/20 financial year. This growth makes provision for the continuous replacement and maintenance of ageing emergency vehicles in order for the department to continue to improve response times. The budget for transfers to municipalities is reprioritised to compensation of employees and goods and services due to the provincialisation of Tshwane EMS and the planned provincialisation of the City of Johannesburg EMS in the second quarter of the 2019/20 financial year.

Over the four-year period 2018/19 to 2021/22, the budget of Programme 4: Provincial Hospital Services increases by R2.9 billion. This is due to additional funding allocated to fund higher municipal tariffs at institutions, non-negotiable budget line items, the introduction of tertiary services funding through the National Tertiary Services grant to dental and psychiatric hospitals and mental health services. Furthermore, additional funding is allocated for the Human Resources Capacitation grant towards the stimulus package for health professionals.

The budget in Programme 5: Central Hospital Services increases significantly from R16.7 billion in 2018/19 to R20.5 billion in the 2021/22 financial year. This is due to the enhancement of tertiary services, the adequate funding of non-negotiable budget line items and the easing of budget pressures fuelled by the increase in prices of medical commodities and higher municipal services. The programme is also funding the Nelson Mandela Children's hospital that provides specialised paediatric services in the country and the Southern African Development Community (SADC) region. These specialised services are introduced through a phased-in approach. The hospital is funded through the National Tertiary Services grant. Moreover, additional funding is allocated to the programme through the stimulus package which is funding for health professionals received via the Human Resources Capacitation grant.

Over the 2019 MTEF, the budget of Programme 6: Health Science and Training increases by R356.8 million to provide employee bursary holders and to support the South African Cuban Doctor programme to address the shortage of doctors in the country. The budget of Programme 7: Health Care Support Services increases by R35.9 million from 2019/20 to 2021/22 to provide for the laundry services and pre-packed food services.

Programme 8: Health Facilities Management is funded through the equitable share and the Health Facility Revitalisation Grant for improving and maintaining health infrastructure.

The compensation of employee's budget increased from R26.7 billion in 2018/19 to R34.6 billion in the 2020/21 financial year as a result of increased personnel funding of health professionals and funding towards Public Service Co-ordinating Bargaining Council (PSCBC) resolutions. In addition, this was due to the introduction of the Human Resource Capacitation grant of R432.7 million over the 2019 MTEF. The aim of this grant is to achieve universal health access through the phased-in implementation of National Health Insurance and to improve access to quality healthcare services.

The allocation for goods and services increases from R15.8 billion in 2018/19 to R17.2 billion in the 2019/20 financial year. The increase is attributable to funding allocated for the re-engineering of PHC and additional funding for non-negotiable budget line items such as medical supplies, medicine and consumable supplies. An amount of R1.5 billion is also allocated towards the payment of accrued liabilities in the 2019/20 financial year. The increase in the goods and service allocation is a consequence of the reclassification of mental health services provided by Life Health Care and Clinix service providers, in compliance with Classification Circular 21 of 2018 that required certain transfers to be reclassified. In addition, the goods and services also increase as a result of the provincialisation of the City of Tshwane EMS, the planned provincialisation of the City of Johannesburg EMS and additional funding allocated for office accommodation.

The budget for transfer payments increases from R1.7 billion in 2018/19 to R1.8 billion in the 2019/20 financial year. The budget for transfers to provinces and municipalities decreases from R783 million in 2018/19 to R637 million in the 2019/20 financial year. This is due to the provincialisation of the EMS in the City of Tshwane, planned provincialisation of EMS in the City of Johannesburg in the second quarter of the 2019/20 financial year and the reclassification of the mental health services' budget initially provided by Life Health Care and Clinix. Transfers to departmental agencies and accounts increases from R20.9 million in 2018/19 to R24.6 million in the 2021/22 financial year, as a result of payments to the Health and Welfare Sector Training Authority (HW-SETA) for skills development and training of health professionals on behalf of the department.

The machinery and equipment budget increases from R1.2 billion in 2018/19 to R1.5 billion in the 2020/21 financial year. The intent being to enable continued investment in the recapitalisation and replacement of ambulances, for the purpose of improving response times and to make provision for the replacement and procurement of oncology and radiology equipment in central hospitals.

The budget of Programme 8: Health Facilities Management allocated to infrastructure decreases from the 2018/19 main allocation of R1.8 billion to R1.7 in 2019/20, due to a review of the state of readiness to implement projects. An additional amount of R150.1 million over the 2019 MTEF is allocated to infrastructure to enable the department to obtain suitable office accommodation.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2018 Estimates of Capital Expenditure (ECE).

7.4.2 Departmental public-private partnership (PPP) projects

N/A.

7.5 Transfers

7.5.1 Transfers to public entities

N/A.

7.5.2 Transfers to other entities

TABLE 4.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Mental Health NPI Psychiatric Programme	265 286	61 972	181 071	104 556					
HIV/AIDS NPI	127 954	113 554	86 948	79 264	79 264	79 264	103 328	114 752	121 063
Nutrition	50 338	52 064	49 557	58 548	58 548	58 548	61 827	65 227	68 814
Mental Health NPI	117 554	195 000	142 788	191 207	191 207	191 207	201 707	212 803	224 507
EPWP NPI	94 585	107 256	112 781	120 511	120 511	120 511	127 261	134 260	141 644
Alexandra Health Care Centre	53 472								
Witkoppen Clinic	10 977	11 979	12 578	13 308	13 308	13 308	14 053	14 826	15 641
HW-SETA	17 919	18 869	19 812	20 962	20 962	20 962	22 135	23 352	24 636
Universities	1 864	1 963	9 787	13 681	13 681	13 681	14 653	15 459	16 309
Nelson Mandela Children Hospital			150 000	200 000	200 000	200 000	300 000	316 039	307 659
Specialised Services NPI	1 444	1 521	1 597	1 690	1 690	1 690	1 785	1 883	1 987
Total departmental transfers	741 393	564 178	766 919	803 727	699 171	699 171	846 749	898 601	922 260

The department continues to work in partnership with non-profit institutions, universities and the HW-SETA to ensure delivery of services according to the set targets. There is an increase in transfers to institutions from R803.7 million in 2018/19 to R846.7 million in 2019/20, to sustain the delivery of services in partnership with these institutions. The transfer to the Nelson Mandela Children's Hospital accounts for the largest share of the total transfer budget as this hospital provides specialised paediatric services. The second largest transfer budget is allocated towards the provision of mental health services. The allocation for the mental health programme is mainly to provide for the mental health services within the five

health districts through privately contracted service providers and it increases from R191.2 million in 2018/19 to R201.7 million in the 2019/20 financial year.

7.6 Transfers to local government

TABLE 4.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	627 778	660 736	723 913	767 186	705 905	705 905	620 257	597 985	626 452
Category B									
Category C	29 673	14 590	15 191	16 084	16 084	16 084	17 017	18 038	18 038
Total departmental transfers	657 451	675 326	739 104	783 270	721 989	721 989	637 274	616 023	644 490

Transfers of funds to local government are made to provide funding for primary health care, HIV and AIDS and emergency medical services. All these services within the district councils are provincialised.

Over the 2019 MTEF, the allocation for transfers to local government increases from R637.2 million to R644.5 million. Transfers for PHC, HIV and AIDS and emergency medical services benefit the three metros - Tshwane, Ekurhuleni and Johannesburg; and the districts of Sedibeng and West Rand. The transfer is aimed at rendering comprehensive PHC services according to service level agreements, to ensure rapid, effective and efficient emergency medical care, to sustain the ward-based door-to-door HIV and AIDS education programmes and to promote safe-sex behaviours (HIV/AIDS prevention).

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The purpose of this programme is to conduct strategic management and overall administration of the GDoH through the sub-programmes Office of the MEC and Management.

Programme objectives

- Rendering of advisory, secretarial and office support services; and
- Policy formulation, overall management and administrative support of the department and the respective regions and institutions within the department.

Policies and priorities

- Improve audit outcomes;
- Implement SCM policy and preferential procurement policy framework, including the BBBEE framework;
- Create a platform for women cooperatives to supply linen to the department;
- Implement integrated eHealth strategy for modernisation and efficient management systems and technologies;
- Transforming the health economy including township economy;
- Improving human resources for health;
- Strengthen Performance Management and Development System;
- Improving financial management and accountability;
- Proactive leadership, effective governance and risk management; and
- Reducing medical litigations and claims.

TABLE 4.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The MEC	14 588	20 795	12 349	21 581	21 331	21 581	22 789	24 043	25 364
2. Management	792 770	830 693	1 072 828	872 357	1 018 693	1 429 772	853 637	900 833	902 381
Total payments and estimates	807 358	851 488	1 085 177	893 938	1 040 024	1 451 353	876 426	924 876	927 745

TABLE 4.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	744 416	822 353	907 593	879 022	930 108	1 046 435	860 675	908 259	910 216
Compensation of employees	324 030	357 586	381 314	436 135	436 135	436 135	460 525	485 853	522 575
Goods and services	420 386	464 767	525 651	442 887	493 973	610 300	400 150	422 406	387 641
Interest and rent on land			628						
Transfers and subsidies to:	4 288	7 599	165 909	2 450	2 450	297 413	2 587	2 729	2 879
Provinces and municipalities									
Non-profit institutions									
Households	4 288	7 599	165 909	2 450	2 450	297 413	2 587	2 729	2 879
Payments for capital assets	57 681	21 270	11 744	12 466	107 466	107 466	13 164	13 888	14 650
Buildings and other fixed structures									
Machinery and equipment	57 681	21 270	11 744	12 466	107 466	107 466	13 164	13 888	14 650
Payments for financial assets	973	266	(69)			39			
Total economic classification	807 358	851 488	1 085 177	893 938	1 040 024	1 451 353	876 426	924 876	927 745

The actual expenditure in the programme increased from R807.4 million in 2015/16 to R1.1 billion in the 2017/18 financial year. The on-going rendering of administrative support to the entire department including the modernisation of the health system resulted in the budget increase.

The budget of the programme was adjusted upwards during the 2018/19 adjustment budget process from R893.9 million to R1 billion due to once-off additional funds allocated for the payment of revenue-collecting agencies to improve revenue generation. Furthermore, additional allocation was for ICT infrastructure and the local area network, for the monthly rentals and parking payments and for the acquisition of machinery and equipment for the new office building.

The baseline of the programme decreases from the main allocation of R893.9 million in 2018/19 to R876.4 million in the 2019/20 financial year. This is as a result of the once-off additional amount that was allocated towards payment of computer services and accrued liabilities in the 2018/2019 financial year. Over the 2019 MTEF, the total programme budget increases from R876.4 million in 2019/20 to R927.7 million in 2021/22 due to adjustments to the baseline to cater for inflation to sustain the provision of administrative support to the department.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
1. Audit opinion from Auditor General	Unqualified	Unqualified	Clean	Clean
2. Percentage of Hospitals with Broadband access	100% (37/37)	100% (37/37)	100% (37/37)	100% (37/37)
3. Percentage of fixed facilities with broadband access	80% (297/372)	100% (372/372)	100% (372/372)	100% (372/372)

PROGRAMME 2: DISTRICT HEALTH SERVICES

Programme description

The purpose of the programme is to render primary health care services, district hospital services, comprehensive HIV and AIDS care and nutrition. It includes the delivery of priority health programmes.

Programme objectives

- Planning, administration and management of district health services;
- Rendering a primary health service in respect of health promotion, geriatrics, occupational therapy, physiotherapy, psychiatry, speech therapy, communicable diseases, mental health, community based services and other services;
- Rendering integrated community based services;

- Rendering a mother, child and women’s health programme;
- Rendering a primary health care service in respect of HIV and AIDS campaigns and special projects;
- Rendering a nutrition service aimed at specific target groups and combining direct and indirect nutrition interventions to address malnutrition;
- Rendering coroner services; and
- Rendering a hospital service at district level.

Policies and priorities

- Universal health coverage through strengthening of District Health System and governance of health facilities in preparation for NHI;
- Expansion of PHC re-engineering;
- Implementing Ideal Hospital Accreditation System;
- Compliance with national core standards at PHC facility level;
- Implementing the UNAIDS 90-90-90 strategy;
- Promotion of health, wellness and happiness to reduce high burden of disease;
- Reduction of HIV and AIDS and TB-related morbidity and mortality;
- Reduction of maternal, child and infant morbidity and mortality;
- Reduction of communicable and non-communicable diseases;
- Promote patient safety and reduce medical litigations;
- Strengthening partnership with civil society, inter-departmental and external stakeholders; and
- Intensify implementation of Mental Health Act.

TABLE 4.9: SUMMARY OF PAYMENTS AND ESTIMATES: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. District Management	451 135	457 752	524 552	525 793	505 175	509 591	591 354	624 046	658 515
2. Community Health Clinics	2 085 055	2 093 486	2 416 248	2 471 605	2 472 905	2 537 500	2 657 066	2 803 205	2 957 379
3. Community Health Centres	1 503 927	1 571 259	1 792 265	1 969 307	2 001 669	2 089 002	2 144 906	2 262 874	2 387 331
4. Community Based Services	1 458 519	1 574 218	1 780 657	1 984 289	1 990 690	2 197 629	2 433 174	2 543 654	2 611 795
5. Hiv, Aids	3 002 814	3 424 730	3 890 431	4 465 616	4 465 616	4 465 616	4 993 239	5 518 700	6 230 394
6. Nutrition	48 712	43 562	49 557	58 548	58 548	58 548	61 827	65 227	68 814
7. Coroner Services	184 034	188 593	214 321	240 133	240 133	233 241	260 627	267 577	341 292
8. District Hospitals	2 341 351	2 638 493	3 015 482	3 589 849	3 603 294	3 522 421	4 070 495	4 439 094	4 668 600
Total payments and estimates	11 075 547	11 992 093	13 683 513	15 305 140	15 338 030	15 613 548	17 212 688	18 524 377	19 924 120

TABLE 4.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	10 206 384	11 099 532	12 713 689	14 273 367	14 346 107	14 620 818	16 009 027	17 248 066	18 579 442
Compensation of employees	5 799 772	6 633 414	7 155 763	7 714 913	7 795 903	7 861 743	8 937 665	9 505 847	10 349 084
Goods and services	4 406 612	4 466 118	5 557 926	6 558 454	6 550 204	6 759 075	7 071 362	7 742 219	8 230 358
Interest and rent on land									
Transfers and subsidies to:	676 301	753 327	834 240	876 205	874 495	874 495	944 772	1 003 786	1 048 549
Provinces and municipalities	327 379	344 531	361 769	383 475	383 475	383 475	405 085	428 722	448 168
Departmental agencies and accounts									
Non-profit institutions	324 493	382 542	406 250	464 528	464 528	464 528	509 961	543 751	567 345
Households	24 429	26 254	66 221	28 202	26 492	26 492	29 726	31 313	33 036
Payments for capital assets	190 181	136 726	133 457	155 568	117 428	117 428	258 889	272 525	296 129
Buildings and other fixed structures				240	240	240			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Machinery and equipment	190 181	136 726	133 457	155 328	117 188	117 188	258 889	272 525	296 129
Software and other intangible assets									
Payments for financial assets	2 681	2 508	2 127			807			
Total economic classification	11 075 547	11 992 093	13 683 513	15 305 140	15 338 030	15 613 548	17 212 688	18 524 377	19 924 120

The total budget of the programme increases from R15.3 billion in 2018/19 to R19.9 billion in the 2021/22 financial year. The HIV and AIDS sub-programme increases from R4.4 billion in 2018/19 to R4.9 billion in 2019/20 due to the continuation of the Universal Test and Treat campaign. The budget allocated to the sub-programme: District Hospitals grows from R3.5 billion in 2018/19 to R4 billion in 2019/20 to fund the increase in patient load and to pay accrued liabilities owed by the department on services provided.

The budget for compensation of employees increases from R7.7 billion in 2018/19 to R10.3 billion in the 2021/22 financial year. This budget takes into account items such as payment of Occupation Specific Dispensation to nurses, doctors, specialists and therapists as well as improvement in conditions of service, funding for community health care workers, health professionals funded through the Human Resource Capacitation grant and R26.1 million allocated for Social Sector EPWP programme. A total amount of R63 million for the Human Resource Capacitation grant is allocated over the 2019 MTEF to compensation of employees.

Over the 2019 MTEF, the budget for goods and services increases from R6.5 billion in 2018/19 to R8.2 billion in the 2021/22 financial year. Funding is earmarked for the purchasing of medicine, medical supplies and laboratory items. An amount of R28.8 million is earmarked for the rollout of the HPV in 2019/20 to enable the department to provide vaccine to Grade 4 school girls to prevent cervical cancer. The budget for transfers and subsidies increases from R876.2 million in 2018/19 to R944.7 million in 2019/20.

SERVICE DELIVERY MEASURES

PROGRAMME 2: DISTRICT HEALTH SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Ideal clinic status rate	75%	80%	85%	90%
Inpatient bed utilisation rate	70%	70%	80%	80%
Client remain on ART end of month -total	1 093 857	1 182 094	1 371 181	1 500 000
TB/HIV co-infected client on ART rate	90%	90%	90%	90%
HIV test done – total	2 641 848	3 296 241	3 396 341	2 641 848
Male condom distributed	160 524 000	220 000 000	272 718 700	282 718 700
Medical male circumcision – Total	124 320	149 221	132 639	132 639
TB client 5yrs and older start on treatment rate	90%	90%	93%	94%
TB client treatment success rate	89%	90%	90%	90%
TB client lost to follow up rate	5.5%	5.5%	5.5%	5.5%
TB client death rate	<5.5%	<5.5%	<5.5%	<5.5%
TB MDR treatment success rate	60%	65%	70%	75%
Maternal mortality in facility ratio	<100/ 100 000 live births	<90/100000 live births	<80/100000 live births	<70/100000 live births
Neonatal death in facility rate	<14 per 1000 live births	<13 per 1000 live births	<12 per 1000 live births	<11 per 1000 live births
Antenatal 1st visit before 20 weeks rate	66%	66%	70%	74%
Mother postnatal visit within 6 days rate	80%	75%	80%	85%
Antenatal client start on ART rate	98%	97%	97%	97%
Infant 1st PCR test positive around 10 weeks rate	1.4%	<1.3%	<1.3%	1.0%
Couple year protection rate (Int)	55%	60%	60%	65%
Cervical cancer screening coverage 30 years and older	55%	55%	60%	65%
Immunisation under 1 year coverage	98%	98%	98%	98%
Measles 2nd dose coverage	97%	98%	99%	99%
Diarrhoea case fatality rate	<1.6%	<2.2%	<2.0%	<1.9%
Pneumonia case fatality rate	<1.6%	<3.4%	<3%	<2.9%
Severe acute malnutrition case fatality rate	<6.0%	<7.4%	<7.2%	<7%
School Grade 1 - learners screened	74 000	80 000	82 000	84 000
School Grade 8 - learners screened	40 000	40 000	42 000	44 000

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
HPV 1st dose	60 000	62 000	63 000	64 000
HPV 2nd dose	60 000	50 000	50 100	50 200
Cataract surgery rate	11 232	11 450	11 500	12 000

PROGRAMME 3: EMERGENCY MEDICAL SERVICE

Programme description

The rendering of pre-hospital EMS including inter-hospital transfers and planned patient transport.

Programme objectives

- Render EMS including ambulance services, special operations, communications and air ambulance services; and
- Render pre-hospital EMS including inter-hospital transfers and planned patient transport.

Policies and priorities

- Improve quality of services and patient safety;
- Improve EMS infrastructure standards, to comply with minimum infrastructure requirements;
- Improve EMS norms and standards; and
- Completion of provincialisation of EMS in the City of Johannesburg.

TABLE 4.11: SUMMARY OF PAYMENTS AND ESTIMATES: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Emergency Transport	830 415	920 275	1 125 937	1 271 046	1 299 268	1 240 411	1 351 803	1 386 314	1 462 560
2. Planned Patient Transport	109 904	90 194	93 337	179 839	169 839	166 200	189 911	200 356	211 376
Total payments and estimates	940 319	1 010 469	1 219 274	1 450 885	1 469 107	1 406 611	1 541 714	1 586 670	1 673 936

TABLE 4.12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	566 378	590 736	745 181	912 940	992 443	929 891	1 069 625	1 184 927	1 251 377
Compensation of employees	388 834	447 344	484 285	527 405	589 627	558 049	625 787	674 402	781 492
Goods and services	177 544	143 392	260 896	385 535	402 816	370 402	443 838	510 525	469 885
Interest and rent on land						1 440			
Transfers and subsidies to:	330 942	331 469	379 207	402 445	341 164	341 164	235 044	190 435	199 629
Provinces and municipalities	330 063	330 795	377 335	399 795	338 514	338 514	232 189	187 301	196 322
Non-profit institutions									
Households	879	674	1 872	2 650	2 650	2 650	2 855	3 134	3 307
Payments for capital assets	42 960	88 104	94 613	135 500	135 500	135 500	237 045	211 308	222 930
Buildings and other fixed structures									
Machinery and equipment	42 960	88 104	94 613	135 500	135 500	135 500	237 045	211 308	222 930
Payments for financial assets	39	160	273			56			
Total economic classification	940 319	1 010 469	1 219 274	1 450 885	1 469 107	1 406 611	1 541 714	1 586 670	1 673 936

The filling of critical EMS posts, absorption of emergency care technicians trained at Lebone College with implications of OSD, implementation of the provincialisation of EMS in the City of Tshwane and improvement in conditions of service informs an increase in the compensation of employees' budget over the 2019 MTEF. Furthermore, this budget increase is due to the planned provincialisation of EMS in the City of Johannesburg in the second quarter of the 2019/20 financial year. The personnel budget increases by R98.4 million from the main appropriation of R527.4 million in 2018/19 to R625.8 million in

the 2019/20 financial year. Goods and services also increase from main appropriation of R385.5 million in 2018/19 to R443.8 million due to the provincialisation of EMS in the City of Tshwane and in the City of Johannesburg.

The department will continue to invest in the recapitalisation and replacement of ambulances with the aim of improving response times. Therefore, machinery and equipment is allocated R237 million in 2019/20 which decreases marginally to R222.9 million in the 2021/22 financial year.

SERVICE DELIVERY MEASURES

PROGRAMME 3: EMERGENCY MEDICAL SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
EMS P1 urban response under 15 minutes rate	75%	78%	80%	83%
EMS P1 rural response under 40 minutes rate	100%	100%	100%	100%
EMS inter-facility transfer rate	20%	15%	15%	10%

PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

Programme description

Delivery of hospital services, which are accessible, appropriate, effective and provide general specialist services, including specialized rehabilitation services, as well as a platform for training health professionals and research.

Programme objectives

- Render hospital services at a general specialist level and provide a platform for training of health workers and for research;
- Convert present TB hospitals into strategically placed centres of excellence for isolation during the intensive level of treatment, and standardized implementation of multi-drug resistant (MDR) protocols;
- Render a specialist psychiatric hospital service to people with mental illness and intellectual disability and provide a platform for training health workers;
- Provide medium to long term care to patients who require rehabilitation and/or a minimum degree of active medical care; and
- Render an affordable and comprehensive oral health service and training, based on the primary health care approach.

Policy and priorities

- Compliance with the National Health Act;
- Implement revitalisation of hospital services;
- Reduce waiting times at all hospitals;
- Compliance with national core standards;
- Implementation of Ideal Hospitals Accreditation System;
- Intensify implementation of the Mental Health Act at secondary level of care;
- Strengthen decentralized MDR-TB management; and
- Promote patient safety and reduce medical litigations.

TABLE 4.13: SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. General Hospitals	4 597 721	5 128 521	5 738 026	6 565 923	6 665 887	6 488 956	6 929 361	7 543 078	8 374 867
2. Tuberculosis Hospitals	284 768	237 470	283 884	419 329	387 744	387 744	442 813	467 167	492 858
3. Psychiatric/Mental Hospital	1 032 466	1 034 589	1 238 219	1 214 772	1 261 857	1 224 367	1 442 166	1 521 337	1 954 331
4. Dental Training Hospitals	443 190	470 202	548 656	581 625	581 625	591 825	625 495	671 256	806 210
5. Other Specialised Hospitals	73 920	81 345	83 492	91 419	91 419	92 627	96 548	101 858	107 459
Total payments and estimates	6 432 065	6 952 127	7 892 277	8 873 068	8 988 532	8 785 519	9 536 383	10 304 696	11 735 725

TABLE 4.14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	6 125 505	6 756 206	7 667 767	8 664 569	8 849 630	8 644 975	9 392 870	10 151 789	11 558 065
Compensation of employees	4 722 697	5 344 789	5 812 575	6 331 558	6 446 669	6 306 994	6 983 470	7 453 248	8 303 645
Goods and services	1 402 808	1 411 417	1 855 192	2 333 011	2 402 961	2 337 981	2 409 400	2 698 541	3 254 420
Interest and rent on land									
Transfers and subsidies to:	218 293	105 318	142 890	122 934	18 429	19 613	15 725	16 793	17 716
Departmental agencies and accounts									
Non-profit institutions	198 725	83 302		104 556					
Households	19 568	22 016	142 890	18 378	18 429	19 613	15 725	16 793	17 716
Payments for capital assets	86 123	88 930	79 870	85 565	120 473	120 473	127 788	136 114	159 944
Buildings and other fixed structures			16						
Machinery and equipment	86 123	88 930	79 854	85 565	120 473	120 473	127 788	136 114	159 944
Software and other intangible assets									
Payments for financial assets	2 144	1 673	1 750			458			
Total economic classification	6 432 065	6 952 127	7 892 277	8 873 068	8 988 532	8 785 519	9 536 383	10 304 696	11 735 725

A major portion of the total programme budget is allocated to the sub-programme: General Hospitals to provide level two services, and to ensure that regional hospitals comply with statutory obligations. The programme is also funded through the Health Professions Training and Development Grant with the aim of expanding the teaching and training platform in various institutions.

The programme also introduces the National Tertiary Services funding platform to dental and psychiatric hospitals in 2018/19 and over the 2019 MTEF. This is a phased-in approach of the expansion of the provision of tertiary services.

The budget allocated to compensation of the employees increases by R652 million from R6.3 billion in the 2018/19 main appropriation to R6.9 billion in the 2019/20 financial year to accommodate the stimulus package posts funded through the Human Resources Capacitation Grant. Goods and services grows marginally by R76.4 million from R2.3 billion in 2018/19 to R2.4 billion in the 2019/20 financial year to sustain the provision of services by the programme.

From the 2018/19 financial year onwards, the budget for Mental Health Services initially provided by Life Health Care and Clinix is reclassified to goods and services in line with Classification Circular 21 of 2018. Thus, transfers to non-profit institutions is not allocated any funding over the 2019 MTEF as these funds are now allocated to goods and services. In relation to transfers to households, the budget decreases from R18.4 million to R15.7 million due to the revised business plan of Health Professions Training and Development Grant.

SERVICE DELIVERY MEASURES

PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
REGIONAL HOSPITALS				
Average Length of Stay (Regional Hospitals)	5.5 Days	5.0 Days	4.7 Days	4.7 Days
Inpatient Bed Utilisation Rate (Regional Hospitals)	85%	80%	78%	78%
Expenditure per PDE (Regional Hospitals)	R3 562	R3 762	R3 962	R4 162
Complaint Resolution within 25 working days rate (regional hospitals)	90%	95%	95%	95%
SPECIALISED HOSPITALS				
Complaint Resolution within 25 working days rate (specialised hospitals)	90%	95%	95%	95%

PROGRAMME 5: CENTRAL HOSPITAL SERVICES**Programme description**

Provide a highly specialised health care service, a platform for training health workers and a place of research, and to enable these hospitals to serve as specialist referral centres for regional hospitals and neighbouring provinces.

Programme objectives

- Render highly specialized medical health and quaternary services on a national basis and provide a platform for the training of health workers and research;
- Provision of a platform for the training of health workers; and
- Serve as specialist referral centres for regional hospitals and neighbouring provinces.

Policies and priorities

- Implement national policies on conditional grants and revitalization of hospital services;
- Implement MoUs with universities;
- Render and implement tertiary and academic services;
- Strengthen bed bureau management;
- Intensify implementation of the Mental Health Act;
- Comply with National Core Standards and certification of health care facilities by the Office of Health Standards Compliance;
- Implement Ideal Hospitals Accreditation System;
- Promote patient safety and reduce medical litigations; and
- Leadership and Governance for Health System Strengthening.

TABLE 4.15: SUMMARY OF PAYMENTS AND ESTIMATES: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Central Hospitals	10 067 806	10 561 108	11 986 766	12 907 527	12 932 127	13 627 356	14 279 703	15 174 403	15 985 703
2. Provincial Tertiary Hospital Services	2 514 476	2 826 316	3 329 921	3 768 429	3 783 429	3 939 693	3 983 778	4 202 906	4 522 973
Total payments and estimates	12 582 282	13 387 424	15 316 687	16 675 956	16 715 556	17 567 049	18 263 481	19 377 309	20 508 676

TABLE 4.16: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	12 244 775	13 071 948	14 633 592	15 685 593	15 715 593	16 567 365	17 059 951	18 111 836	19 317 250
Compensation of employees	8 584 959	9 561 101	10 319 570	10 627 379	10 657 379	11 069 474	11 417 521	12 100 567	13 407 586
Goods and services	3 659 816	3 510 847	4 314 022	5 058 214	5 058 214	5 494 525	5 642 430	6 011 269	5 909 664
Interest and rent on land						3 366			
Transfers and subsidies to:	37 823	41 575	226 873	247 640	247 640	246 444	350 532	369 338	363 890
Departmental agencies and accounts									
Non-profit institutions			150 000	200 000	200 000	200 000	300 000	316 039	307 659
Households	37 823	41 575	76 873	47 640	47 640	46 444	50 532	53 299	56 231
Payments for capital assets	296 127	270 623	453 778	742 723	752 323	752 323	852 998	896 135	827 536
Buildings and other fixed structures									
Machinery and equipment	296 127	270 623	453 778	742 723	752 323	752 323	852 998	896 135	827 536
Software and other intangible assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets	3 557	3 278	2 444			917			
Total economic classification	12 582 282	13 387 424	15 316 687	16 675 956	16 715 556	17 567 049	18 263 481	19 377 309	20 508 676

The programme budget increases from a main appropriation of R16.7 billion in 2018/19 to R18.3 billion in the 2019/20 financial year. The largest portion of the budget is allocated to the Sub-programme: Central Hospitals. The programme is mainly funded through the National Tertiary Services grant and the Health Professions Training and Development grant.

The budget for compensation of employees increases from R10.6 billion in 2018/19 to R11.4 billion in the 2019/20 financial year, this is attributable to improvement in conditions of service and additional funding allocated for health professionals, the creation of posts for nursing personnel including the implications of OSD in central and tertiary hospitals.

The allocation to goods and services increase from R5 billion in the main allocation of the 2018/19 financial year to R5.6 billion in the 2019/20 financial year to fund price increases due to inflation, including medical inflation. The increase in the goods and services budget also ensures that non-negotiable budget line items such as medicine and medical supplies are adequately funded. In the 2019/20 financial year, the department will continue to provide funding for the operationalisation of the three tertiary hospitals, i.e. Helen Joseph, Kalafong and Tembisa.

Transfers to non-profit institutions increases from R200 million in 2018/19 to R300 million in the 2019/20 financial year. These transfers are intended for the Nelson Mandela Children's Hospital that provides specialised paediatric services in South Africa and the South African Development Community (SADC) region. These specialised services will be introduced through a phased-in approach and the hospital is funded through the National Tertiary Services grant. Transfers to households also increase marginally by R3 million from a main allocation of R47.6 million in 2018/19 to R50.5 million in the 2019/20 financial year to make provision for employees who are about to retire.

SERVICE DELIVERY MEASURES

PROGRAMME 5: CENTRAL HOSPITAL SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
TERTIARY HOSPITAL SERVICES				
Average Length of Stay (Tertiary Hospitals)	6.5 Days	6.5 Days	6.5 Days	6.5 Days
Inpatient Bed Utilisation Rate (Tertiary Hospitals)	85%	85%	85%	85%
Expenditure per PDE (Tertiary Hospitals)	R3 676	R3 831	R4 076	R4 276
Complaint Resolution within 25 working days rate (Tertiary Hospitals)	90%	95%	95%	95%
CENTRAL HOSPITAL SERVICES				
Average Length of Stay (Central Hospitals)	8 Days	8 Days	8 Days	8 Days
Inpatient Bed Utilisation Rate (Central Hospitals)	85%	85%	85%	85%
Expenditure per PDE (Central Hospitals)	R4 299	R4 614	R4 614	R4 614
Complaint Resolution within 25 working days rate (Central Hospitals)	90%	95%	95%	95%

PROGRAMME 6: HEALTH SCIENCES AND TRAINING

Programme description

Rendering of training and development opportunities for clinical and non-clinical employees of the GDoH through sub-programmes Nurse Training College, Emergency Medical Services Training College, Bursaries, and Other Training.

Programme objectives

- Training of nurses at undergraduate and post-basic level. Target group includes actual and potential employees;
- Training of rescue and ambulance personnel. Target group includes actual and potential employees;

- Provision of bursaries for health science training programmes at undergraduate and postgraduate levels. Target group includes actual and potential employees;
- Provision of PHC related training for personnel. Target group includes actual and potential employees; and
- Provision of skills development interventions for all occupational categories in the department.

Policies and priorities

- Implement the national Human Resource Framework;
- Implement the Skills Development Act including Expanded Public Works Programmes;
- Implement the Human Resource Development Strategy, policy and strategic plan;
- Expand the teaching and learning platform in line with MoUs with institutions of higher learning;
- Training of nurses and community health workers;
- Provision of learnership programme; and provision of bursaries to health professionals; and
- Compliance of Higher Education nursing new curriculum requirements.

TABLE 4.17: SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH SCIENCES AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Nurse Training Colleges	666 886	743 753	747 136	858 534	846 534	833 872	905 282	955 074	1 007 606
2. Ems Training Colleges	28 381	31 347	34 953	37 859	37 859	37 859	39 954	42 149	44 467
3. Bursaries	180 373	217 247	68 676	60 998	142 498	210 887	212 500	228 319	452 190
4. Other Training	63 194	61 716	68 222	86 002	94 002	94 002	91 007	96 011	101 292
Total payments and estimates	938 834	1 054 063	918 987	1 043 393	1 120 893	1 176 620	1 248 743	1 321 553	1 605 555

TABLE 4.18: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH SCIENCES AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	728 829	804 603	796 456	916 501	921 050	908 238	967 076	1 020 227	1 076 341
Compensation of employees	675 562	761 698	738 605	850 291	850 291	829 566	897 613	946 982	999 071
Goods and services	53 267	42 905	57 851	66 210	70 759	78 672	69 463	73 245	77 270
Interest and rent on land									
Transfers and subsidies to:	198 885	238 644	109 004	118 363	185 146	253 535	272 864	292 028	519 402
Departmental agencies and accounts	17 919	18 869	19 812	20 962	20 962	20 962	22 135	23 352	24 636
Higher education institutions	1 824	1 453	9 786	13 681	13 681	13 681	14 653	15 459	16 309
Households	179 142	218 322	79 406	83 720	150 503	218 892	236 076	253 217	478 457
Payments for capital assets	9 726	7 704	11 001	8 529	14 697	14 697	8 803	9 298	9 812
Buildings and other fixed structures									
Machinery and equipment	9 726	7 704	11 001	8 529	14 697	14 697	8 803	9 298	9 812
Software and other intangible assets									
Payments for financial assets	1 394	3 112	2 526			150			
Total economic classification	938 834	1 054 063	918 987	1 043 393	1 120 893	1 176 620	1 248 743	1 321 553	1 605 555

The Sub-programme: Bursaries increases by R151.5 million from R60.9 million in the 2018/19 main allocation to R212.5 million in 2019/20 to provide bursaries to address scarce skills such as medical professionals, assistant pharmacists and pharmacists. This initiative includes funding for the phased-in integration of the South African Cuban Student Doctor Programme - whereby South African health professionals are trained in Cuba in line with the bilateral cooperation agreement between Cuba and South Africa. The substantial budget growth in the Bursaries sub-programme is as a result of additional funding of R333.7

million over the 2019 MTEF allocated to the department, to supplement the budget for the South African Cuban Student Doctor Programme.

The Sub-programme: EMS colleges is mainly utilised to provide the department with emergency care technicians (mid-level workers), thus ensuring that EMS norms and standards are met. The Sub-programme: Other Training grows from R86 million in 2018/19 to R91 million in 2019/20 financial year, thus ensuring that capacity is available for the health sector. The funding for higher education institutions is also increasing to make provision for nursing student allowances.

The budget for compensation of employees increases from R850.2 million in 2018/19 to R897.6 million in the 2019/20 financial year. The increase is mainly to maintain the current staff complement and to implement the newly introduced nursing curriculum that is community health based as compared to a hospi-centric approach.

SERVICE DELIVERY MEASURES

PROGRAMME 6: HEALTH SCIENCES AND TRAINING

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of bursaries awarded to first year medicine students	0%	0%	0%	0%
Number of bursaries awarded to first year nursing students	700	300	750	482

PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

Programme description

The purpose of this programme is to render support services required by the department to realise its aims through sub-programmes Laundry Services and Food Supply Services.

Programme objectives

- Rendering a laundry service to hospitals, care and rehabilitation centres and certain local authorities;
- Managing the supply of pharmaceuticals and medical sundries to hospitals, community health centres and local authorities;
- Render food supply services to hospitals and community health centres; and
- Increase the efficacy of the SCM system.

Policies and priorities

- Strengthen the management of laundries and food supply;
- Increase availability of pharmaceuticals; and
- Ensure sustainability of direct delivery of medicines to healthcare facilities.

TABLE 4.19: SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Laundries	175 605	184 992	208 732	212 636	222 561	235 746	231 294	243 641	257 042
2. Food Supply Services	47 894	63 500	81 035	97 618	87 693	87 693	86 493	91 622	96 662
3. Medicine Trading Account				1	1	1	1	1	1
Total payments and estimates	223 499	248 492	289 767	310 255	310 255	323 440	317 788	335 264	353 705

TABLE 4.20: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	216 242	244 800	284 106	300 680	300 680	313 839	305 575	322 498	340 235
Compensation of employees	140 147	160 696	162 379	180 597	180 597	182 494	190 694	201 182	212 248
Goods and services	76 095	84 104	121 727	120 083	120 083	131 345	114 881	121 316	127 987

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Interest and rent on land									
Transfers and subsidies to:	646	830	613	645	645	645	468	505	533
Provinces and municipalities									
Departmental agencies and accounts									
Non-profit institutions									
Households	646	830	613	645	645	645	468	505	533
Payments for capital assets	6 556	2 751	5 005	8 930	8 930	8 930	11 745	12 261	12 937
Buildings and other fixed structures									
Machinery and equipment	6 556	2 751	5 005	8 930	8 930	8 930	11 745	12 261	12 937
Payments for financial assets	55	111	43			26			
Total economic classification	223 499	248 492	289 767	310 255	310 255	323 440	317 788	335 264	353 705

The budget of this programme is allocated to the five laundries throughout the province that provide cleaning services and purchase linen for health facilities. The department also allocates budget for Masakhane Cook-freeze, which provides pre-packed food service supplies to health facilities. The budget increases from the main allocation of R310.2 million in 2018/19 to R317.8 million in the 2019/20 financial year to sustain the provision of these services

The compensation of employees' budget increases from a main allocation of R180.6 million in 2018/19 to R190.6 million in 2019/20 financial year to improve conditions of service. In the outer year of the 2019 MTEF, the personnel budget grows to R212.2 million to make provision for the cost of living adjustment.

In order to continue to provide cleaning services to health institutions and replace linen the goods and services' budget in the programme grows from R120 million in the 2018/19 main allocation to R127.9 million in the 2021/22 financial year. Lastly, the machinery and equipment allocation is allocated R11.7 million in the 2019/20 financial year to ensure that laundries are equipped with machines to provide clean linen to health facilities.

PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

Programme description

The purpose of this programme is to plan, provide and equip new facilities/assets, upgrade and rehabilitate community health centres, clinics, district, provincial, specialized and academic hospitals, and other health-related facilities, and also to undertake life cycle management of immovable assets through maintenance of all health facilities.

Programme objectives

- Construction of new, and refurbishment, upgrading and maintenance of existing, CHCs, PHCs and district hospitals;
- Construction of new, and refurbishment, upgrading and maintenance of existing, EMS facilities;
- Construction of new, and refurbishment, upgrading and maintenance of existing, regional hospitals and specialised hospitals, tertiary and central hospitals; and
- Construction of new, and refurbishment, upgrading and maintenance of other, health facilities including forensic pathology facilities and nursing colleges.

Policies and priorities

- Improved health infrastructure design, delivery and maintenance;
- Improve infrastructure in mortuaries and EMS bases;
- Reduce under-spending on infrastructure budget; and
- Adhere to norms and standards and align with national norms and standards through construction of prototype clinic in all districts.

TABLE 4.21: SUMMARY OF PAYMENTS AND ESTIMATES: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Community Health Facilities	263 022	342 167	317 227	525 745	454 538	454 538	261 088	286 815	368 340
2. Emergency Medical Rescue Services	1 126	2 602	1 739	10 536	9 628	9 628	9 000	9 426	11 250
3. District Hospital Services	299 793	411 739	214 806	253 364	228 080	228 080	116 255	116 741	127 980
4. Provincial Hospital Services	545 898	513 983	264 246	278 964	310 938	310 938	90 332	83 982	67 981
5. Central Hospital Services	511 780	421 724	335 462	342 543	336 305	336 305	201 154	212 494	194 529
6. Other Facilities	243 032	251 696	474 297	465 539	540 444	540 444	1 092 111	1 216 957	1 332 734
Total payments and estimates	1 864 651	1 943 911	1 607 777	1 876 691	1 879 933	1 879 933	1 769 940	1 926 415	2 102 814

TABLE 4.22: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 072 796	977 770	920 965	881 724	791 454	791 454	1 187 546	1 334 144	1 420 562
Compensation of employees	11 999	22 946	30 840	37 869	37 869	37 869	47 266	48 998	67 120
Goods and services	1 060 797	954 824	890 125	843 855	753 585	753 585	1 140 280	1 285 146	1 353 442
Interest and rent on land									
Transfers and subsidies to:	15	91	158						
Provinces and municipalities									
Households	15	91	158						
Payments for capital assets	791 835	966 050	686 645	994 967	1 088 479	1 088 479	582 394	592 271	682 252
Buildings and other fixed structures	784 988	935 368	615 418	949 457	1 020 527	1 020 527	580 803	590 830	680 811
Machinery and equipment	6 847	30 682	71 227	45 510	67 952	67 952	1 591	1 441	1 441
Payments for financial assets	5		9						
Total economic classification	1 864 651	1 943 911	1 607 777	1 876 691	1 879 933	1 879 933	1 769 940	1 926 415	2 102 814

The bulk of the budget is paid to the Gauteng Department of Infrastructure Development for major capital works programmes performed on behalf of the department. This includes new facilities and the rehabilitation, upgrading and maintenance of facilities. The budget decreases from the 2018/19 main allocation of R1.8 billion to R1.7 in 2019/20 due to a review of project readiness. An additional amount of R150.1 million over the 2019 MTEF is allocated towards obtaining a suitable office accommodation for the department.

Compensation of employees increases by R9.4 million from the main allocation of R37.9 million in 2018/19 to R47.3 million in the 2019/20 financial year to fill critical posts.

SERVICE DELIVERY MEASURES

PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of health facilities that have undergone major and minor refurbishment in NHI Pilot District[1]	2	2	2	2
Number of health facilities that have undergone major and minor refurbishments outside NHI pilot district (excluding facilities in NHI Pilot District)	1	1	3	6

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 4.23: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

R thousands	Actual				Revised estimate			Medium-term expenditure estimate				Average annual growth over MTEF					
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22		
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																	
1 – 6	38 502	6 838 664	39 370	7 196 954	38 176	7 511 142	35 909	952	36 861	8 955 991	40 127	9 708 399	40 127	10 660 273	3%	6%	31%
7 – 10	18 510	7 140 477	19 795	7 346 160	19 391	9 104 076	18 978	764	19 742	10 273 469	21 353	11 961 686	21 353	13 206 255	3%	9%	38%
11 – 12	6 747	6 243 352	7 186	7 930 158	6 660	8 105 130	4 647	1 308	5 955	7 679 258	7 199	9 131 847	7 199	10 082 048	7%	9%	29%
13 – 16	116	118 718	121	134 680	114	176 405	103	2	105	173 405	114	147 301	114	167 137	3%	(1%)	1%
Other	1 838	306 790	2 289	681 622	1 953	188 579	2 416	75	2 491	200 200	3 511	467 945	3 511	527 109	12%	38%	1%
Total	65 713	20 648 000	68 771	23 289 574	66 294	25 085 331	62 053	3 101	65 154	27 282 324	72 302	31 417 079	72 302	34 642 821	4%	8%	100%
Programme																	
1. Administration	1 793	324 030	1 442	357 586	1 294	381 314	1 092	28	1 120	436 135	1 211	485 853	1 211	522 575	3%	6%	2%
2. District Health Services	19 183	5 799 772	20 302	6 633 414	19 968	7 155 763	17 797	910	18 707	7 861 743	20 673	9 505 847	20 673	10 349 084	3%	10%	30%
3. Emergency Medical Services	1 629	388 834	1 777	447 344	1 786	484 285	1 787	1	1 788	558 049	1 860	674 402	1 934	781 492	3%	12%	2%
4. Provincial Hospital Services	19 735	4 722 697	20 904	5 344 789	20 113	5 812 575	19 337	1 350	20 687	6 306 994	21 799	7 453 248	22 566	8 303 645	3%	10%	24%
5. Central Hospital Services	19 060	8 584 959	19 475	9 561 101	18 542	10 319 570	17 361	804	18 165	11 069 474	20 046	12 100 567	20 848	13 407 586	5%	7%	39%
6. Health Sciences And Training	3 345	675 562	4 128	761 698	3 870	738 605	3 975	1	3 976	829 566	4 135	946 982	4 300	999 071	3%	6%	3%
7. Health Care Support Services	934	140 147	715	160 696	691	162 379	682		682	182 494	709	190 694	738	212 248	3%	5%	1%
8. Health Facilities Management	34	11 999	28	22 946	30	30 840	22	7	29	37 869	30	47 266	31	67 120	3%	21%	0%
Total	65 713	20 648 000	68 771	23 289 574	66 294	25 085 331	62 053	3 101	65 154	27 282 324	72 302	31 417 079	72 302	34 642 821	4%	8%	100%
Employee dispensation classification																	
Public Service Act appointees not covered by OSDs	24 704	4 639 714	25 445	4 567 538	20 682	4 576 369	22 385	417	22 802	5 349 587	24 311	4 984 422	25 283	6 001 560	4%	4%	18%
Public Service Act appointees still to be covered by OSDs	176	105 700	181	39 456	2 621	717 897	144	2	146	63 606	1 094	293 165	1 138	341 305	98%	75%	1%
Professional Nurses, Staff Nurses and Nursing Assistants	27 220	7 635 856	28 755	9 021 035	29 510	10 035 034	28 154	944	29 098	11 468 423	30 321	12 368 367	31 534	14 641 111	3%	8%	42%
Legal Professionals	8	3 271	8	4 068	11	6 018	4	2	6	2 969	4	2 557	4	2 765	(10%)	(2%)	0%

R thousands	Actual				Revised estimate			Medium-term expenditure estimate						Average annual growth over MTEF					
	2015/16		2016/17		2017/18		2018/19			2019/20		2020/21		2021/22		2018/19 - 2021/22			
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Social Services Professions	307	107 364	338	116 970	333	152 191	315	2	317	170 951	340	202 025	354	214 151	354	214 151	4%	8%	1%
Engineering Professions and related occupations	46	23 831	71	52 255	63	38 278	58	6	64	38 941	60	33 838	63	36 560	63	36 560	(1%)	(0%)	0%
Medical and related professionals	5 592	5 673 491	5 760	6 486 516	7 046	7 011 262	4 902	1 525	6 427	7 250 166	6 285	8 008 504	6 430	8 097 721	6 430	9 553 897	0%	10%	27%
Therapeutic, Diagnostic and other related Allied Health Professionals	5 822	1 893 896	6 191	2 277 796	6 028	2 548 282	5 422	203	5 625	2 698 157	6 320	3 350 117	6 574	3 519 029	6 574	3 519 029	5%	9%	10%
Others such as interns, EPWP, learnerships, etc	1 838	564 877	2 022	723 940			669		669	239 523	887	317 546	923	330 434	923	330 434	11%	11%	1%
Total	65 713	20 648 000	68 771	23 289 574	66 294	25 085 331	62 053	3 101	65 154	27 282 324	69 623	29 560 541	72 302	31 417 079	72 302	34 642 821	4%	8%	100%

The personnel headcount increases from 65 154 in 2018/19 to 69 623 in the 2019/20 financial year. An increase of 4 469 intended mainly for critical posts, whereas the personnel budget increases by R2.8 million to fund the appointment of critical staff and improvement in conditions of service. The personnel headcount remains constant at 72 302 in the outer years of the 2019 MTEF whereas the personnel budget increases from R31.4 billion in 2020/21 to R34.6 billion in the 2021/22 financial year to cover the cost of living adjustment.

The department has introduced a compensation of employees Monitoring Team focusing solely on the reduction and close monitoring of personnel costs. The team will assist in identifying gaps, leaks and abnormal appointments. The management of sick leave, over the long and short-term, is a high priority for the department. These interventions, including other terminations such as retirements, will assist the department in reducing its personnel numbers. The monitoring of staff attendance which is part of Deliverology, aims at reducing absenteeism and to ensure the optimal utilisation of staff in all areas, especially at institutions.

The department seeks to adopt the commuted-overtime policy. Once approved, the department will implement the policy immediately to reduce costs linked to commuted overtime. The implementation of the Workload Indicator and Staffing Norms (WISN) tool align staff allocation with service needs in clinics. This intervention will significantly reduce personnel costs and ensure that training is strongly informed by service needs and patient loads. In the 2019/20 financial year, the community health care workers co-hort will be paid through PERSAL system.

The new conditional grant, namely the Human Resource Capacitation grant (stimulus package) is introduced in the 2019 MTEF as a direct grant. This grant aims to achieve universal health access through the phased implementation of National Health Insurance and to improve access to quality healthcare services. A total of R432.7 million is allocated over the 2019 MTEF to the Human Resource Capacitation grant. The grant will fund community service and critical posts including (dentists, dieticians, physiotherapists, occupational therapists fund, medical officers, medical registrars, medical specialists, professional nurses, assistant nurses and enrolled nurses) throughout health facilities.

9.2 Training

TABLE 4.24: INFORMATION ON TRAINING: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	65 713	68 771	66 294	65 154	65 154	65 154	69 624	72 302	72 302
Number of personnel trained	18 180	12 400	10 956	11 136	21 924	23 064	34 190	30 571	32 022
of which									
Male	3 180	3 300	956	800	4 545	5 474	6 653	7 288	7 698
Female	15 000	9 100	10 000	10 336	17 379	17 590	27 537	23 283	24 324
Number of training opportunities	30 089	14 316	6 000	6 000	144	144	152	152	152
of which									
Tertiary	15	34			2	2	2	2	2
Workshops	15 000	13 762	6 000	6 000	15	15	20	20	20
Seminars	74	5							
Other	15 000	515			127	127	130	130	130
Number of bursaries offered	4 943	5 415	5 686	6 016	1 458	3 030	2 266	2 191	2 096
Number of interns appointed	1 000	1 000	997	1 000	914	1 000	1 000	1 000	1 000
Number of learnerships appointed	500	500	500	500	95	300	500	500	500
Number of days spent on training	235	242	218	218	218	218	218	215	215
Payments on training by programme									
1. Administration	3 495	2 969	7 403	1 246	2 216	6 194	1 316	1 388	1 464
2. District Health Services	12 229	6 443	8 428	41 946	39 696	39 696	69 157	139 490	140 199

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
3. Emergency Medical Services	31	268	147	690	690	690	6 690	6 730	7 100
4. Provincial Hospital Services	617	927	995	3 480	2 798	2 798	5 748	5 949	6 275
5. Central Hospital Services	914	630	2 438	1 394	1 394	1 394	6 555	6 636	7 001
6. Health Sciences And Training	9 212	4 717	7 647	14 950	14 920	19 491	15 894	16 763	17 685
7. Health Care Support Services	31	4	3	141	41	41	254	262	277
8. Health Facilities Management	3 160	1 943	397	1 500	1 500	1 500	2 500	1 500	1 500
Total payments on training	29 689	17 901	27 458	65 347	63 255	71 804	108 114	178 718	181 501

The Human Resource Development plan will continue to be implemented by the department, including training programmes for midwives to improve maternity and neonatal services. The department will also continue to train clinical engineers and address staff shortages especially in obstetrics and gynaecology, accident and emergency, PHC, ICU and advanced midwifery.

The increased funding to District Health Services is attributed to the department's focus on the re-engineering and rationalisation of PHC services. The increase is also as a result of the training of community health workers, medical and support staff, who will be appointed under the HIV and AIDS programme. Over the 2019 MTEF, the department will continue to up-skill and develop employees in various key areas towards health systems efficiency.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 4.25: SPECIFICATION OF RECEIPTS: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	433 650	496 653	503 020	475 335	475 335	585 364	502 355	530 049	559 202
Sale of goods and services produced by department (excluding capital assets)	432 128	495 429	501 757	473 540	473 540	583 570	500 460	528 053	557 096
Sales by market establishments	36 854	40 556	28 082	23 644	23 644	39 740	24 968	25 967	27 395
Administrative fees			5 093						
Other sales	395 274	454 873	468 582	449 897	449 897	543 830	475 492	502 086	529 701
Of which									
Health patient fees	339 511	395 392	408 030	391 801	391 801	485 734	415 039	437 933	462 019
Other (Specify)	34 230	34 562	41 211	38 036	38 036	38 036	39 559	41 141	43 404
Other (Specify)	12 779	13 691	18 828	13 160	13 160	13 160	13 897	14 100	14 876
Other (Specify)	508		513	6 900	6 900	6 900	6 997	7 297	7 698
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	1 522	1 224	1 263	1 794	1 794	1 794	1 895	1 996	2 106
Transfers received from:			1			2 043			
Other governmental units			1			2 043			
Fines, penalties and forfeits	56	38	50	58	58	58	62	69	73
Interest, dividends and rent on land	939	1 749	974	1 422	1 422	1 423	1 502	1 582	1 669
Interest	939	1 749	974	1 422	1 422	1 423	1 502	1 582	1 669
Sales of capital assets			402			1			
Transactions in financial assets and liabilities	44 651	36 814	42 470	31 134	31 134	130 859	32 877	34 620	36 524
Total departmental receipts	479 296	535 254	546 917	507 949	507 949	719 748	536 796	566 320	597 468

TABLE 4.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	31 905 325	34 367 948	38 669 349	42 514 396	42 847 065	43 823 015	46 852 345	50 281 746	54 453 488
Compensation of employees	20 648 000	23 289 574	25 085 331	26 706 147	26 994 470	27 282 324	29 560 541	31 417 079	34 642 821
Salaries and wages	18 225 569	20 580 517	22 113 279	22 834 692	23 294 170	24 036 912	25 434 512	27 064 459	30 070 807
Social contributions	2 422 431	2 709 057	2 972 052	3 871 455	3 700 300	3 245 412	4 126 029	4 352 620	4 572 014
Goods and services	11 257 325	11 078 374	13 583 390	15 808 249	15 852 595	16 535 885	17 291 804	18 864 667	19 810 667
Administrative fees	4 939	4 859	4 212	5 887	5 137	5 137	7 010	7 354	7 759
Advertising	5 969	3 039	2 154	6 734	3 899	3 899	6 546	6 936	7 297
Minor assets	50 352	35 475	32 319	99 526	98 732	86 931	102 532	108 587	123 637
Audit cost: External	18 453	18 518	20 731	23 710	23 710	23 710	25 038	26 415	27 868
Bursaries: Employees	2 966	1 895	4 067	9 139	9 139	9 139	9 651	10 182	10 742

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Catering: Departmental activities	6 434	2 547	2 600	5 331	4 940	4 940	7 593	7 919	8 222
Communication (G&S)	105 989	88 346	74 378	101 544	101 021	101 021	109 878	114 510	120 749
Computer services	252 192	207 226	264 615	339 492	359 651	356 781	259 446	272 700	177 698
Consultants and professional services: Business and advisory services	50 018	66 846	370 900	60 524	189 526	188 819	334 733	371 981	590 984
Laboratory services	965 528	875 027	1 535 121	2 438 379	2 513 707	2 407 173	2 432 405	2 696 075	2 943 367
Legal services	569 030	748 168	314 227	16 167	17 967	102 713	17 072	18 011	19 002
Contractors	546 702	485 536	536 468	690 200	805 706	734 595	477 755	590 822	557 822
Agency and support / outsourced services	288 770	216 912	255 725	214 147	223 617	234 228	246 762	259 430	272 994
Entertainment									
Fleet services (including government motor transport)	152 327	107 450	235 509	300 536	323 232	304 578	377 322	452 864	407 786
Housing									
Inventory: Clothing material and accessories	24 275	13 952	3 918						
Inventory: Farming supplies									
Inventory: Food and food supplies	256 414	265 345	338 723	381 906	380 445	357 336	467 950	511 664	591 236
Inventory: Fuel, oil and gas	140 513	175 183	220 779	179 050	203 466	235 667	307 208	317 063	334 500
Inventory: Learner and teacher support material	1 449	1 477	813	1 652	2 362	2 362	1 641	1 737	1 832
Inventory: Materials and supplies	35 553	38 985	37 564	43 570	40 650	39 830	48 649	51 179	53 993
Inventory: Medical supplies	2 072 897	2 030 336	2 618 205	2 578 851	2 628 485	3 621 333	2 918 484	3 100 538	3 269 947
Inventory: Medicine	2 804 016	3 101 764	3 826 095	5 074 010	4 929 207	4 670 005	5 556 860	5 987 029	6 120 502
Medsas inventory interface									
Inventory: Other supplies			112 332	116 200	123 698	125 452	117 486	124 191	131 019
Consumable supplies	478 766	436 153	452 908	522 079	488 217	489 088	456 001	488 522	515 008
Consumable: Stationery, printing and office supplies	124 489	107 345	152 092	166 790	164 545	172 414	182 071	193 640	212 143
Operating leases	73 519	93 543	143 780	145 775	171 019	185 394	209 106	220 109	229 811
Property payments	2 130 670	1 895 306	1 965 008	2 096 201	1 853 498	1 880 414	2 389 942	2 612 522	2 756 311
Transport provided: Departmental activity	26 373	8 618	4 875	18 742	8 702	8 702	9 632	10 831	11 426
Travel and subsistence	31 486	25 583	22 104	38 849	35 413	33 628	42 196	44 451	46 705
Training and development	26 724	16 005	23 391	56 208	54 116	62 665	98 463	168 536	170 759
Operating payments	5 639	4 537	5 336	65 557	65 395	64 538	61 994	75 810	76 351
Venues and facilities	3 315	2 298	1 457	10 682	22 582	22 582	9 504	12 138	12 225
Rental and hiring	1 558	100	984	811	811	811	874	921	972

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Interest and rent on land			628			4 806			
Rent on land									
Transfers and subsidies	1 467 193	1 478 853	1 858 894	1 770 682	1 669 969	2 033 309	1 821 992	1 875 614	2 152 598
Provinces and municipalities	657 442	675 326	739 104	783 270	721 989	721 989	637 274	616 023	644 490
Municipalities	657 442	675 326	739 104	783 270	721 989	721 989	637 274	616 023	644 490
Municipalities	657 442	675 326	739 104	783 270	721 989	721 989	637 274	616 023	644 490
Departmental agencies and accounts	17 919	18 869	19 812	20 962	20 962	20 962	22 135	23 352	24 636
Provide list of entities receiving transfers	17 919	18 869	19 812	20 962	20 962	20 962	22 135	23 352	24 636
Higher education institutions	1 824	1 453	9 786	13 681	13 681	13 681	14 653	15 459	16 309
Non-profit institutions	523 218	465 844	556 250	769 084	664 528	664 528	809 961	859 790	875 004
Households	266 790	317 361	533 942	183 685	248 809	612 149	337 969	360 990	592 159
Social benefits	87 293	93 957	98 266	100 450	106 791	98 791	101 937	107 845	113 778
Other transfers to households	179 497	223 404	435 676	83 235	142 018	513 358	236 032	253 145	478 381
Payments for capital assets	1 481 189	1 582 158	1 476 113	2 144 248	2 345 296	2 345 296	2 092 826	2 143 800	2 226 190
Buildings and other fixed structures	784 988	935 368	615 434	949 697	1 020 767	1 020 767	580 803	590 830	680 811
Buildings	784 988	935 368	615 434	949 457	1 020 527	1 020 527	580 803	590 830	680 811
Machinery and equipment	696 201	646 790	860 679	1 194 551	1 324 529	1 324 529	1 512 023	1 552 970	1 545 379
Transport equipment	141 566	106 197	139 335	183 547	149 637	143 578	288 988	274 954	290 607
Other machinery and equipment	554 635	540 593	721 344	1 011 004	1 174 892	1 180 951	1 223 035	1 278 016	1 254 772
Payments for financial assets	10 848	11 123	9 103			2 453			
Total economic classification	34 864 555	37 440 082	42 013 459	46 429 326	46 862 330	48 204 073	50 767 163	54 301 160	58 832 276

TABLE 4.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	744 416	822 353	907 593	879 022	930 108	1 046 435	860 675	908 259	910 216
Compensation of employees	324 030	357 586	381 314	436 135	436 135	436 135	460 525	485 853	522 575
Salaries and wages	284 496	314 178	334 340	360 041	360 041	360 041	410 713	431 624	465 363
Social contributions	39 534	43 408	46 974	76 094	76 094	76 094	49 812	54 229	57 212
Goods and services	420 386	464 767	525 651	442 887	493 973	610 300	400 150	422 406	387 641
Administrative fees	3 140	2 221	1 903	1 538	1 538	1 538	1 624	1 713	1 808
Advertising	2 351	2 351	1 067	2 603	1 003	1 003	2 749	2 900	3 060
Minor assets	516	25	298	223	223	223	235	248	262
Audit cost: External	18 453	18 518	20 731	23 710	23 710	23 710	25 038	26 415	27 868
Bursaries: Employees	64		56						
Catering: Departmental activities	1 408	217	625	666	566	566	704	743	784
Communication (G&S)	31 102	19 957	12 969	16 733	21 433	21 433	17 670	18 642	19 668
Computer services	248 146	202 357	260 337	328 479	348 479	348 479	229 334	241 947	145 254
Consultants and professional services:	26 301	38 495	70 767	22 866	47 452	73 710	74 147	78 475	134 791

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Business and advisory services									
Laboratory services									
Legal services	61 798	137 424	123 791	16 167	16 167	100 625	17 072	18 011	19 002
Contractors	141	3 831	303	376	376	376	397	419	442
Agency and support / outsourced services	223	889	66						
Fleet services (including government motor transport)	2 778	876	2 512	2 710	2 710	2 710	2 862	3 019	3 185
Inventory: Clothing material and accessories									
Inventory: Food and food supplies	18	16	52	29	29	29	31	33	35
Inventory: Fuel, oil and gas	1								
Inventory: Materials and supplies	61	214	50	40	40	40	42	44	46
Inventory: Medical supplies	754	97	351						
Inventory: Medicine	144	16 782	108						
Consumable supplies	445	494	483	731	467	467	772	815	860
Consumable: Stationery, printing and office supplies	4 918	3 377	3 268	7 944	4 944	4 944	8 388	8 849	9 336
Operating leases	1 468	106	3 400	1 464	8 528	8 528	1 546	1 631	1 721
Property payments	4 648	5 096	9 746	6 190	5 990	5 990	6 536	6 895	7 274
Transport provided: Departmental activity	25	46		2	2	2	2	2	2
Travel and subsistence	6 520	6 529	3 383	8 785	6 105	7 738	9 277	9 787	10 326
Training and development	3 431	2 969	7 347	1 246	2 216	6 194	1 316	1 388	1 464
Operating payments	67	119	111						
Venues and facilities	725	1 757	104	192	1 802	1 802	204	215	226
Rental and hiring	740	4	334	193	193	193	204	215	227
Transfers and subsidies	4 288	7 599	165 909	2 450	2 450	297 413	2 587	2 729	2 879
Households	4 288	7 599	165 909	2 450	2 450	297 413	2 587	2 729	2 879
Social benefits	1 571	1 289	1 637	1 074	1 074	1 607	1 134	1 196	1 262
Other transfers to households	2 717	6 310	164 272	1 376	1 376	295 806	1 453	1 533	1 617
Payments for capital assets	57 681	21 270	11 744	12 466	107 466	107 466	13 164	13 888	14 650
Machinery and equipment	57 681	21 270	11 744	12 466	107 466	107 466	13 164	13 888	14 650
Transport equipment	7 323	4 544	3 549	4 753	4 753	4 753	5 020	5 296	5 587
Other machinery and equipment	50 358	16 726	8 195	7 713	102 713	102 713	8 144	8 592	9 063
Payments for financial assets	973	281	(69)			39			
Total economic classification	807 358	851 503	1 085 177	893 938	1 040 024	1 451 353	876 426	924 876	927 745

TABLE 4.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DISTRICT HEALTH SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	10 206 384	11 099 532	12 713 689	14 273 367	14 346 107	14 620 818	16 009 027	17 248 066	18 579 442
Compensation of employees	5 799 772	6 633 414	7 155 763	7 714 913	7 795 903	7 861 743	8 937 665	9 505 847	10 349 084
Salaries and wages	5 045 998	5 785 070	6 219 445	6 631 105	6 699 920	6 852 723	7 779 271	8 284 923	9 051 010
Social contributions	753 774	848 344	936 318	1 083 808	1 095 983	1 009 020	1 158 394	1 220 924	1 298 074
Goods and services	4 406 612	4 466 118	5 557 926	6 558 454	6 550 204	6 759 075	7 071 362	7 742 219	8 230 358
Administrative fees	234	347	370	1 146	798	798	1 489	1 557	1 642
Advertising	2 153	236	220	1 270	564	564	975	1 048	1 106
Minor assets	26 449	15 274	14 487	27 270	25 489	25 489	37 754	39 659	41 827
Catering: Departmental activities	4 554	1 825	1 807	4 180	3 930	3 930	6 392	6 651	6 891
Communication (G&S)	38 347	34 748	28 266	46 217	42 214	42 214	46 827	49 516	52 193
Computer services	437	3 058	1 032						
Consultants and professional services: Business and advisory services	9 307	23 446	35 217	29 060	29 080	29 080	40 796	63 032	63 044
Laboratory services	681 775	603 410	840 331	1 028 849	1 153 872	1 119 568	1 081 527	1 232 745	1 461 192
Legal services	45 725	33 419	6 047						
Contractors	324 410	314 534	346 772	465 372	578 780	518 923	233 440	335 760	321 524
Agency and support / outsourced services	43 553	30 533	43 563	62 670	61 179	61 179	62 100	65 911	68 832
Fleet services (including government motor transport)	36 113	15 445	34 116	24 819	33 295	33 295	51 957	66 468	68 898
Inventory: Clothing material and accessories	4 804	5 426	1 807						
Inventory: Food and food supplies	49 335	43 460	63 934	88 212	85 343	67 623	98 167	120 821	125 238
Inventory: Fuel, oil and gas	66 541	76 708	52 088	65 498	60 711	73 113	94 350	98 145	103 544
Inventory: Learner and teacher support material	25	10							
Inventory: Materials and supplies	11 512	15 764	12 609	18 822	15 667	15 667	22 955	24 048	25 371
Inventory: Medical supplies	399 433	418 131	463 091	531 114	536 755	536 755	545 771	596 443	618 809
Inventory: Medicine	2 100 007	2 303 791	2 872 048	3 281 333	3 152 397	3 397 134	3 764 458	3 922 285	4 094 574
Consumable supplies	99 828	80 103	107 703	129 706	129 624	122 619	129 997	138 690	145 936
Consumable: Stationery, printing and office supplies	49 388	46 089	73 320	74 635	71 595	71 595	82 929	89 140	101 916
Operating leases	13 827	28 884	43 513	24 945	37 086	45 825	33 027	34 475	36 372
Property payments	368 053	352 669	463 037	500 095	374 169	436 048	550 487	580 852	612 675
Transport provided: Departmental activity	554	817	200	1 861	1 821	1 821	2 828	3 090	3 260
Travel and subsistence	11 720	8 719	5 869	11 770	11 337	11 337	13 566	14 250	14 856
Training and development	12 229	6 443	8 428	41 946	39 696	39 696	69 157	139 490	140 199

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Operating payments	3 423	2 346	673	59 951	59 827	59 827	56 141	69 659	69 889
Venues and facilities	2 515	462	1 235	9 830	15 830	15 830	8 640	11 224	11 262
Rental and hiring	361	21	437	88	88	88	110	115	121
Transfers and subsidies	676 301	753 327	834 240	876 205	874 495	874 495	944 772	1 003 786	1 048 549
Provinces and municipalities	327 379	344 531	361 769	383 475	383 475	383 475	405 085	428 722	448 168
Municipalities	327 379	344 531	361 769	383 475	383 475	383 475	405 085	428 722	448 168
Municipalities	327 379	344 531	361 769	383 475	383 475	383 475	405 085	428 722	448 168
Non-profit institutions	324 493	382 542	406 250	464 528	464 528	464 528	509 961	543 751	567 345
Households	24 429	26 254	66 221	28 202	26 492	26 492	29 726	31 313	33 036
Social benefits	24 360	24 476	27 644	28 202	26 492	26 324	29 726	31 313	33 036
Other transfers to households	69	1 778	38 577			168			
Payments for capital assets	190 181	136 726	133 457	155 568	117 428	117 428	258 889	272 525	296 129
Buildings and other fixed structures				240	240	240			
Buildings									
Machinery and equipment	190 181	136 726	133 457	155 328	117 188	117 188	258 889	272 525	296 129
Transport equipment	63 633	28 924	32 913	65 598	31 688	25 494	76 732	80 538	84 932
Other machinery and equipment	126 548	107 802	100 544	89 730	85 500	91 694	182 157	191 987	211 197
Payments for financial assets	2 681	2 508	2 127			807			
Total economic classification	11 075 547	11 992 093	13 683 513	15 305 140	15 338 030	15 613 548	17 212 688	18 524 377	19 924 120

TABLE 4.29: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EMERGENCY MEDICAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	566 378	590 736	745 181	912 940	992 443	929 891	1 069 625	1 184 927	1 251 377
Compensation of employees	388 834	447 344	484 285	527 405	589 627	558 049	625 787	674 402	781 492
Salaries and wages	327 723	375 678	402 683	433 193	491 415	468 923	531 919	573 717	675 269
Social contributions	61 111	71 666	81 602	94 212	98 212	89 126	93 868	100 685	106 223
Goods and services	177 544	143 392	260 896	385 535	402 816	370 402	443 838	510 525	469 885
Administrative fees	1 120	2 078	1 600	2 811	2 412	2 412	3 500	3 664	3 866
Advertising				1 500	1 500	1 500	1 500	1 587	1 674
Minor assets	1 864	1 813	2 074	8 610	8 610	8 610	12 316	12 816	13 521
Catering: Departmental activities	27	24	70	50	50	50	50	53	56
Communication (G&S)	4 304	4 834	2 342	6 934	6 934	6 934	7 934	7 066	7 455
Computer services			52	512	512	512	512	542	572
Legal services	50	564	146		1 800	1 800			
Contractors	1 420	598	2 095	5 134	10 534	11 275	6 134	6 433	6 787
Agency and support / outsourced services	303	345	983	2 028	1 028	1 028	2 028	2 146	2 264
Fleet services (including government motor transport)	93 063	80 664	179 728	249 756	267 037	248 383	299 252	358 775	309 788

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Inventory: Clothing material and accessories	3 067	3 242	37						
Inventory: Food and food supplies	8	2	6	15	15	15	15	16	17
Inventory: Fuel, oil and gas	699			465	1 265	1 265	565	590	622
Inventory: Materials and supplies	1 564	1 710	28	2 146	546	546	2 146	2 271	2 396
Inventory: Medical supplies	12 520	9 391	20 911	16 844	20 844	20 844	14 471	15 454	16 304
Inventory: Medicine	430	464	393	1 150	1 150	(7 656)	1 150	1 215	1 282
Consumable supplies	1 844	1 441	5 679	2 365	5 951	13 098	10 065	10 788	11 381
Consumable: Stationery, printing and office supplies	5 189	2 842	6 569	7 853	7 853	7 853	8 853	9 310	9 822
Operating leases	12 461	13 952	13 060	38 904	37 117	26 334	36 904	39 163	41 317
Property payments	12 412	11 540	19 715	19 855	19 855	17 796	21 855	23 010	24 276
Transport provided: Departmental activity	25 007	7 242	4 512	15 910	5 910	5 910	6 095	6 976	7 360
Travel and subsistence	161	378	749	1 086	286	286	886	949	1 001
Training and development	31	268	147	690	690	690	6 690	6 730	7 100
Transfers and subsidies	330 942	331 469	379 207	402 445	341 164	341 164	235 044	190 435	199 629
Provinces and municipalities	330 063	330 795	377 335	399 795	338 514	338 514	232 189	187 301	196 322
Municipalities	330 063	330 795	377 335	399 795	338 514	338 514	232 189	187 301	196 322
Municipalities	330 063	330 795	377 335	399 795	338 514	338 514	232 189	187 301	196 322
Households	879	674	1 872	2 650	2 650	2 650	2 855	3 134	3 307
Social benefits	879	674	1 336	2 650	2 650	2 650	2 855	3 134	3 307
Other transfers to households			536						
Payments for capital assets	42 960	88 104	94 613	135 500	135 500	135 500	237 045	211 308	222 930
Machinery and equipment	42 960	88 104	94 613	135 500	135 500	135 500	237 045	211 308	222 930
Transport equipment	35 919	57 842	81 485	85 860	85 860	85 860	174 784	154 939	163 461
Other machinery and equipment	7 041	30 262	13 128	49 640	49 640	49 640	62 261	56 369	59 469
Payments for financial assets	39	160	273			56			
Total economic classification	940 319	1 010 469	1 219 274	1 450 885	1 469 107	1 406 611	1 541 714	1 586 670	1 673 936

TABLE 4.30: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	6 125 505	6 756 206	7 667 767	8 664 569	8 849 630	8 644 975	9 392 870	10 151 789	11 558 065
Compensation of employees	4 722 697	5 344 789	5 812 575	6 331 558	6 446 669	6 306 994	6 983 470	7 453 248	8 303 645
Salaries and wages	4 169 945	4 726 513	5 128 045	5 513 678	5 630 733	5 528 739	6 045 721	6 467 773	7 293 969
Social contributions	552 752	618 276	684 530	817 880	815 936	778 255	937 749	985 475	1 009 676
Goods and services	1 402 808	1 411 417	1 855 192	2 333 011	2 402 961	2 337 981	2 409 400	2 698 541	3 254 420

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Administrative fees	77	98	172	156	152	152	157	166	175
Advertising	440	46	28	216	7	7	224	236	249
Minor assets	7 902	5 740	4 094	12 865	13 254	13 254	15 374	16 121	16 773
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	148	83	2	158	160	160	145	154	162
Communication (G&S)	12 083	8 966	9 832	12 478	12 551	12 551	13 127	13 852	14 613
Computer services	2 576	798	144	424	583	583		25	26
Consultants and professional services: Business and advisory services	1 737	3 885	182 551	7 682	112 098	85 133	218 879	229 510	392 133
Laboratory services	48 682	35 464	117 559	431 170	376 952	331 778	380 396	434 249	358 133
Legal services	111 424	150 285	12 025						
Contractors	37 818	30 129	35 885	40 935	42 108	42 108	36 743	39 121	41 272
Agency and support / outsourced services	58 005	75 466	92 532	56 721	58 507	68 231	65 900	69 194	73 000
Entertainment									
Fleet services (including government motor transport)	9 812	5 239	6 796	11 528	8 915	8 915	10 587	11 257	11 876
Inventory: Clothing material and accessories	7 846	2 453	1 079						
Inventory: Food and food supplies	89 076	94 427	125 627	113 819	119 584	121 323	177 462	188 073	252 077
Inventory: Fuel, oil and gas	28 471	32 429	42 327	41 115	43 123	70 036	64 503	66 891	70 569
Inventory: Learner and teacher support material	682	2	29	121	121	121	15	22	23
Inventory: Materials and supplies	5 761	7 973	9 903	10 038	10 668	9 265	9 027	9 610	10 138
Inventory: Medical supplies	419 689	396 288	532 477	558 129	558 231	698 250	605 635	640 728	895 640
Inventory: Medicine	179 046	164 418	276 894	556 763	548 176	362 620	342 897	483 203	594 148
Medsas inventory interface									
Consumable supplies	92 065	97 038	85 337	119 021	119 202	120 765	101 839	108 751	114 731
Consumable: Stationery, printing and office supplies	21 422	19 150	20 771	21 140	24 646	28 359	22 305	23 532	24 826
Operating leases	11 029	13 800	21 110	22 542	23 942	29 582	24 327	25 636	27 047
Property payments	253 407	263 271	246 200	280 338	285 531	288 584	282 339	298 620	315 043
Transport provided: Departmental activity	694	509	159	659	659	659	387	425	448
Travel and subsistence	863	1 518	989	1 901	2 058	2 058	1 255	1 364	1 439
Training and development	617	927	995	3 480	2 798	2 798	5 748	5 949	6 275
Operating payments	930	871	570	2 098	2 038	2 038	2 224	2 346	2 475

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Venues and facilities	49	77	118		4 290	4 290			
Rental and hiring	457	67	213	530	530	530	560	591	624
Interest and rent on land									
Rent on land									
Transfers and subsidies	218 293	105 318	142 890	122 934	18 429	19 613	15 725	16 793	17 716
Departmental agencies and accounts									
Provide list of entities receiving transfers									
Non-profit institutions	198 725	83 302		104 556					
Households	19 568	22 016	142 890	18 378	18 429	19 613	15 725	16 793	17 716
Social benefits	19 568	22 016	22 913	18 378	18 429	19 418	15 725	16 793	17 716
Other transfers to households			119 977			195			
Payments for capital assets	86 123	88 930	79 870	85 565	120 473	120 473	127 788	136 114	159 944
Buildings and other fixed structures			16						
Buildings			16						
Machinery and equipment	86 123	88 930	79 854	85 565	120 473	120 473	127 788	136 114	159 944
Transport equipment	13 926	5 869	9 618	8 896	8 896	9 031	14 118	14 779	12 768
Other machinery and equipment	72 197	83 061	70 236	76 669	111 577	111 442	113 670	121 335	147 176
Payments for financial assets	2 144	1 673	1 750			458			
Total economic classification	6 432 065	6 952 127	7 892 277	8 873 068	8 988 532	8 785 519	9 536 383	10 304 696	11 735 725

TABLE 4.31: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CENTRAL HOSPITAL SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	12 244 775	13 071 948	14 633 592	15 685 593	15 715 593	16 567 365	17 059 951	18 111 836	19 317 250
Compensation of employees	8 584 959	9 561 101	10 319 570	10 627 379	10 657 379	11 069 474	11 417 521	12 100 567	13 407 586
Salaries and wages	7 688 155	8 565 030	9 224 717	8 973 625	9 188 411	9 922 062	9 673 224	10 259 917	11 465 700
Social contributions	896 804	996 071	1 094 853	1 653 754	1 468 968	1 147 412	1 744 297	1 840 650	1 941 886
Goods and services	3 659 816	3 510 847	4 314 022	5 058 214	5 058 214	5 494 525	5 642 430	6 011 269	5 909 664
Administrative fees	330	29	54	161	162	162	161	171	180
Advertising	692	204	558	663	445	445	611	650	686
Minor assets	13 085	10 015	10 429	49 483	49 633	37 832	35 702	38 575	50 005
Bursaries: Employees									
Catering: Departmental activities	152	42	28	68	45	45	82	86	91
Communication (G&S)	18 186	17 779	19 671	17 018	16 018	16 018	22 056	23 044	24 311
Computer services	1 025	995	2 881	10 077	10 077	7 207	29 600	30 186	31 846
Consultants and professional services: Business and advisory services	12 603	867	82 166	633	613	613	625	662	698

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Laboratory services	235 071	236 117	577 214	978 307	982 830	955 774	970 426	1 029 022	1 123 980
Legal services	349 868	426 460	165 194			288			
Contractors	180 497	133 906	148 734	174 606	169 411	157 416	197 314	207 465	186 084
Agency and support / outsourced services	186 453	108 967	118 229	92 027	102 411	103 298	116 500	121 904	128 609
Entertainment									
Fleet services (including government motor transport)	5 190	2 000	6 826	6 348	6 003	6 003	6 200	6 568	6 930
Inventory: Clothing material and accessories	7 720	2 318	6						
Inventory: Food and food supplies	101 444	105 400	123 287	151 661	147 304	140 469	162 040	170 849	180 245
Inventory: Fuel, oil and gas	44 390	63 291	47 046	52 748	76 248	66 284	118 665	121 735	128 430
Inventory: Materials and supplies	16 261	12 135	14 371	11 552	13 067	13 650	13 027	13 698	14 451
Inventory: Medical supplies	1 238 754	1 203 718	1 597 376	1 470 993	1 509 357	2 362 186	1 749 835	1 845 038	1 736 160
Inventory: Medicine	523 817	615 579	676 246	1 234 314	1 226 744	917 167	1 447 882	1 579 827	1 429 972
Consumable supplies	244 131	212 622	188 469	220 375	183 445	178 000	180 535	193 849	204 511
Consumable: Stationery, printing and office supplies	39 929	33 450	45 036	51 069	50 368	54 524	55 484	58 456	61 671
Operating leases	2 190	15 834	13 870	15 987	20 419	23 354	21 000	21 861	23 063
Property payments	434 978	306 002	426 760	457 191	428 241	389 274	450 254	479 582	505 959
Transport provided: Departmental activity	93	4	4	310	310	310	320	338	356
Travel and subsistence	1 353	1 523	1 528	1 302	1 302	1 302	2 455	2 531	2 670
Training and development	914	630	2 438	1 394	1 394	1 394	6 555	6 636	7 001
Operating payments	690	960	2 354	2 708	2 390	1 533	2 770	2 928	3 089
Transfers and subsidies	37 823	41 575	226 873	247 640	247 640	246 444	350 532	369 338	363 890
Departmental agencies and accounts									
Provide list of entities receiving transfers									
Higher education institutions									
Non-profit institutions			150 000	200 000	200 000	200 000	300 000	316 039	307 659
Households	37 823	41 575	76 873	47 640	47 640	46 444	50 532	53 299	56 231
Social benefits	36 824	41 575	40 244	47 640	47 640	46 286	50 532	53 299	56 231
Other transfers to households	999		36 629			158			
Payments for capital assets	296 127	270 623	453 778	742 723	752 323	752 323	852 998	896 135	827 536
Machinery and equipment	296 127	270 623	453 778	742 723	752 323	752 323	852 998	896 135	827 536
Transport equipment	10 845	4 083	5 572	10 937	10 937	10 937	7 722	8 354	12 202
Other machinery and equipment	285 282	266 540	448 206	731 786	741 386	741 386	845 276	887 781	815 334
Payments for financial assets	3 557	3 278	2 444			917			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Total economic classification	12 582 282	13 387 424	15 316 687	16 675 956	16 715 556	17 567 049	18 263 481	19 377 309	20 508 676

TABLE 4.32: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH SCIENCES AND TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	728 829	804 603	796 456	916 501	921 050	908 238	967 076	1 020 227	1 076 341
Compensation of employees	675 562	761 698	738 605	850 291	850 291	829 566	897 613	946 982	999 071
Salaries and wages	582 589	661 231	644 596	742 114	742 714	724 888	788 383	831 171	876 890
Social contributions	92 973	100 467	94 009	108 177	107 577	104 678	109 230	115 811	122 181
Goods and services	53 267	42 905	57 851	66 210	70 759	78 672	69 463	73 245	77 270
Administrative fees	38	86	113	75	75	75	79	83	88
Advertising		65	90	130	28	28	115	123	130
Minor assets	353	415	145	255	943	943	360	375	395
Bursaries: Employees	2 902	1 895	4 011	9 139	9 139	9 139	9 651	10 182	10 742
Catering: Departmental activities	144	227	68	92	72	72	96	101	107
Communication (G&S)	1 375	1 478	847	1 269	1 276	1 276	1 465	1 539	1 623
Computer services	8		169						
Consultants and professional services: Business and advisory services	70	153	199	283	283	283	286	302	318
Laboratory services		36	17	53	53	53	56	59	62
Legal services	165	16							
Contractors	388	489	925	1 055	2 075	2 075	1 242	1 303	1 374
Agency and support / outsourced services	80	3	351	319	110	110	231	250	263
Fleet services (including government motor transport)	1 551	915	2 915	2 043	2 140	2 140	3 204	3 322	3 504
Inventory: Clothing material and accessories	373	503	410						
Inventory: Food and food supplies	39	113	73	150	150	150	175	184	194
Inventory: Fuel, oil and gas	12	11	5	9	4	4	12	12	12
Inventory: Learner and teacher support material	742	1 465	750	1 531	2 241	2 241	1 626	1 715	1 809
Inventory: Materials and supplies	210	917	122	642	292	292	1 162	1 199	1 265
Inventory: Medical supplies	838	566	814	680	2 807	2 807	803	842	889
Inventory: Medicine	555	730	406	450	740	740	473	499	526
Consumable supplies	4 673	5 287	5 920	7 994	7 481	7 481	7 315	7 718	8 143
Consumable: Stationery, printing and office supplies	3 221	2 066	2 836	3 254	4 404	4 404	3 202	3 391	3 578
Operating leases	45	1 805	5 292	2 226	2 320	4 559	3 481	3 610	3 808

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Property payments	18 402	13 979	18 087	14 312	13 462	17 983	13 155	13 986	14 755
Travel and subsistence	10 716	6 716	9 234	13 738	14 098	10 680	14 492	15 289	16 130
Training and development	6 310	2 822	3 636	5 811	5 781	10 352	6 243	6 581	6 943
Operating payments	31	145	93	300	400	400	319	337	356
Venues and facilities	26	2							
Transfers and subsidies	198 885	238 644	109 004	118 363	185 146	253 535	272 864	292 028	519 402
Departmental agencies and accounts	17 919	18 869	19 812	20 962	20 962	20 962	22 135	23 352	24 636
Provide list of entities receiving transfers	17 919	18 869	19 812	20 962	20 962	20 962	22 135	23 352	24 636
Higher education institutions	1 824	1 453	9 786	13 681	13 681	13 681	14 653	15 459	16 309
Households	179 142	218 322	79 406	83 720	150 503	218 892	236 076	253 217	478 457
Social benefits	3 430	3 006	3 721	1 861	9 861	1 861	1 497	1 605	1 693
Other transfers to households	175 712	215 316	75 685	81 859	140 642	217 031	234 579	251 612	476 764
Payments for capital assets	9 726	7 704	11 001	8 529	14 697	14 697	8 803	9 298	9 812
Machinery and equipment	9 726	7 704	11 001	8 529	14 697	14 697	8 803	9 298	9 812
Transport equipment	5 571	3 376	3 898	3 035	3 035	3 035	2 671	2 847	3 004
Other machinery and equipment	4 155	4 328	7 103	5 494	11 662	11 662	6 132	6 451	6 808
Software and other intangible assets									
Payments for financial assets	1 394	3 112	2 526			150			
Total economic classification	938 834	1 054 063	918 987	1 043 393	1 120 893	1 176 620	1 248 743	1 321 553	1 605 555

TABLE 4.33: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH CARE SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	216 242	244 800	284 106	300 680	300 680	313 839	305 575	322 498	340 235
Compensation of employees	140 147	160 696	162 379	180 597	180 597	182 494	190 694	201 182	212 248
Salaries and wages	116 200	132 493	132 097	154 643	154 643	153 243	161 764	170 757	180 150
Social contributions	23 947	28 203	30 282	25 954	25 954	29 251	28 930	30 425	32 098
Goods and services	76 095	84 104	121 727	120 083	120 083	131 345	114 881	121 316	127 987
Advertising		137							
Minor assets	334	196	42	301	61	61	242	260	275
Catering: Departmental activities	1	121							
Communication (G&S)	569	567	449	709	409	409	603	644	679
Contractors	7	33	14	398	98	98	298	321	339
Agency and support / outsourced services	153	709	1	382	382	382	3	25	26
Fleet services (including government motor transport)	3 820	2 311	2 609	2 681	2 481	2 481	2 573	2 730	2 880

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Inventory: Clothing material and accessories	465	10	579						
Inventory: Food and food supplies	16 494	21 926	25 729	28 020	28 020	27 727	30 060	31 688	33 430
Inventory: Fuel, oil and gas	399	2 744	9 761	19 215	22 115	24 965	29 113	29 690	31 323
Inventory: Materials and supplies	184	117	83	330	370	370	290	309	326
Inventory: Medical supplies	204	419	1 226	1 091	491	491	1 969	2 033	2 145
Inventory: Medicine	17								
Consumable supplies	34 097	39 148	59 246	41 787	41 947	46 558	25 478	27 911	29 446
Consumable: Stationery, printing and office supplies	422	343	267	561	401	401	557	590	622
Property payments	18 400	15 311	16 317	20 877	19 177	17 666	21 555	22 767	24 019
Travel and subsistence				45	5	5	30	33	35
Training and development	31	4	3	141	41	41	254	262	277
Operating payments	498		1 222		240	240	40	40	42
Rental and hiring		8							
Transfers and subsidies	646	830	613	645	645	645	468	505	533
Households	646	830	613	645	645	645	468	505	533
Social benefits	646	830	613	645	645	645	468	505	533
Payments for capital assets	6 556	2 751	5 005	8 930	8 930	8 930	11 745	12 261	12 937
Machinery and equipment	6 556	2 751	5 005	8 930	8 930	8 930	11 745	12 261	12 937
Transport equipment	4 349	1 559	2 300	4 468	4 468	4 468	7 941	8 201	8 653
Other machinery and equipment	2 207	1 192	2 705	4 462	4 462	4 462	3 804	4 060	4 284
Payments for financial assets	55	111	43			26			
Total economic classification	223 499	248 492	289 767	310 255	310 255	323 440	317 788	335 264	353 705

TABLE 4.34: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH FACILITIES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 072 796	977 770	920 965	881 724	791 454	791 454	1 187 546	1 334 144	1 420 562
Compensation of employees	11 999	22 946	30 840	37 869	37 869	37 869	47 266	48 998	67 120
Salaries and wages	10 463	20 324	27 356	26 293	26 293	26 293	43 517	44 577	62 456
Social contributions	1 536	2 622	3 484	11 576	11 576	11 576	3 749	4 421	4 664
Goods and services	1 060 797	954 824	890 125	843 855	753 585	753 585	1 140 280	1 285 146	1 353 442
Advertising	333		191	352	352	352	372	392	392
Minor assets	(151)	1 997	750	519	519	519	549	533	579
Catering: Departmental activities		8		117	117	117	124	131	131
Communication (G&S)	23	17	2	186	186	186	196	207	207
Computer services		18							
Contractors	2 021	2 016	1 740	2 324	2 324	2 324	2 187		

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Fleet services (including government motor transport)			7	651	651	651	687	725	725
Inventory: Clothing material and accessories									
Inventory: Food and food supplies		1	15						
Inventory: Fuel, oil and gas			69 552						
Inventory: Materials and supplies		155	398						
Inventory: Medical supplies	705	1 726	1 959						
Consumable supplies	1 683	20	71	100	100	100			
Consumable: Stationery, printing and office supplies		28	25	334	334	334	353	372	372
Operating leases	32 499	19 162	41 954	39 707	39 707	39 707	88 816	93 728	96 478
Property payments	1 020 370	927 438	765 146	797 343	707 073	707 073	1 043 761	1 186 810	1 252 310
Transport provided: Departmental activity									
Travel and subsistence	153	200	352	222	222	222	235	248	248
Training and development	3 161	1 942	397	1 500	1 500	1 500	2 500	1 500	1 500
Operating payments		96	313	500	500	500	500	500	500
Venues and facilities									
Rental and hiring									
Transfers and subsidies	15	91	158						
Households	15	91	158						
Social benefits	15	91	158						
Payments for capital assets	791 835	966 050	686 645	994 967	1 088 479	1 088 479	582 394	592 271	682 252
Buildings and other fixed structures	784 988	935 368	615 418	949 457	1 020 527	1 020 527	580 803	590 830	680 811
Buildings	784 988	935 368	615 418	949 457	1 020 527	1 020 527	580 803	590 830	680 811
Machinery and equipment	6 847	30 682	71 227	45 510	67 952	67 952	1 591	1 441	1 441
Other machinery and equipment	6 847	30 682	71 227	45 510	67 952	67 952	1 591	1 441	1 441
Payments for financial assets	5		9						
Total economic classification	1 864 651	1 943 911	1 607 777	1 876 691	1 879 933	1 879 933	1 769 940	1 926 415	2 102 814

TABLE 4.35: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COMPREHENSIVE HIV & AIDS GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	2 860 966	3 182 582	3 663 036	4 170 925	4 170 925	4 170 925	4 676 806	5 179 399	5 872 432
Compensation of employees	686 422	796 182	795 698	823 150	823 150	823 150	894 796	989 009	1 093 405
Salaries and wages	565 518	660 851	686 160	683 216	683 216	683 216	747 569	833 685	919 538
Social contributions	120 904	135 331	109 538	139 934	139 934	139 934	147 227	155 324	173 867
Goods and services	2 174 544	2 386 400	2 867 338	3 347 775	3 347 775	3 347 775	3 782 010	4 190 390	4 779 027

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Administrative fees		6						(2)	(2)
Advertising	2 531		170						
Minor assets	3 676	1 462	181	42	42	42	116	206	217
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	6 496	114	379	1 205	1 205	1 205	1 280	1 362	1 437
Communication (G&S)	309	11	28	224	224	224	233	246	260
Consultants and professional services: Business and advisory services	9 000	19 765	34 491	28 500	28 500	28 500	40 001	62 201	65 622
Laboratory services	449 749	581 154	720 169	492 812	492 812	492 812	529 790	625 634	860 044
Contractors	312 164	286 557	315 882	401 695	401 695	401 695	473 974	572 453	603 938
Agency and support / outsourced services		558					(450)	(475)	(501)
Fleet services (including government motor transport)	200		45	216	216	216	8 569	21 305	22 477
Inventory: Food and food supplies	21 371	8 309	5 899	13 582	13 582	13 582	22 069	40 393	42 615
Inventory: Materials and supplies			7						
Inventory: Medical supplies	194 086	142 372	126 872	172 313	172 313	172 313	88 515	114 484	120 781
Inventory: Medicine	1 153 713	1 329 118	1 626 292	2 152 253	2 152 253	2 152 253	2 518 735	2 566 034	2 856 834
Consumable supplies	1 010	2 704	21 248	6 713	6 713	6 713	6 825	7 200	16 093
Consumable: Stationery, printing and office supplies	6 695	4 226	7 089	7 999	7 999	7 999	6 194	8 645	9 120
Operating leases	72	154							
Property payments	1 464	1 416	799	2 008	2 008	2 008	2 117	2 233	2 356
Transport provided: Departmental activity	1 846								
Travel and subsistence	2 250	5 353	824	1 768	1 768	1 768	1 829	1 930	2 036
Training and development	4 062	2 901	6 327	7 701	7 701	7 701	31 676	100 565	106 096
Operating payments			24	58 134	58 134	58 134	52 033	65 445	69 044
Venues and facilities	3 850	220	607	610	610	610	(1 497)	531	560
Rental and hiring									
Transfers and subsidies	59 118	91 600	77 669	65 790	65 790	65 790	88 370	98 971	104 414
Non-profit institutions	59 118	91 600	75 422	64 590	64 590	64 590	87 176	97 712	103 086
Households			2 247	1 200	1 200	1 200	1 194	1 259	1 328
Social benefits			2 247	1 200	1 200	1 200	1 194	1 259	1 328
Payments for capital assets	8 216	225	3 676	2 562	2 562	2 562	1 558	1 367	1 442
Buildings and other fixed structures				240	240	240	262		
Buildings									
Other fixed structures				240	240	240	262		

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Machinery and equipment	8 216	225	3 676	2 322	2 322	2 322	1 296	1 367	1 442
Transport equipment			19						
Other machinery and equipment	8 216	225	3 657	2 322	2 322	2 322	1 296	1 367	1 442
Payments for financial assets									
Total economic classification	2 928 300	3 274 407	3 744 381	4 239 277	4 239 277	4 239 277	4 766 734	5 279 737	5 978 288

TABLE 4.36: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EPWP INTEGRATED GRANT FOR PROVINCES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	8 788	2 000	1 691	2 324	2 324	2 324	2 187		
Goods and services	8 788	2 000	1 691	2 324	2 324	2 324	2 187		
Contractors	8 788	2 000	1 691	2 324	2 324	2 324			
Payments for financial assets									
Total economic classification	8 788	2 000	1 691	2 324	2 324	2 324	2 187		

TABLE 4.37: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH FACILITY REVITALISATION GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	10 524	33 943	324 840	21 900	21 900	21 900	346 857	369 869	305 869
Compensation of employees	4 799	22 600	9 774	19 800	19 800	19 800	20 909	22 059	22 059
Salaries and wages	4 251	14 238	8 726	12 474	12 474	12 474	13 223	13 949	13 949
Social contributions	548	8 362	1 048	7 326	7 326	7 326	7 686	8 110	8 110
Goods and services	5 725	11 343	315 066	2 100	2 100	2 100	325 948	347 810	283 810
Advertising									
Minor assets	29	503	743						
Catering: Departmental activities									
Computer services									
Contractors									
Inventory: Materials and supplies			398						
Inventory: Medical supplies	864	350	1 947						
Consumable supplies	1 546	350	20	100	100	100			
Consumable: Stationery, printing and office supplies									
Operating leases									
Property payments			304 308				323 448	346 310	282 310
Transport provided: Departmental activity									
Travel and subsistence	125	2 097							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Training and development	3 161	5 459	397	1 500	1 500	1 500	2 500	1 500	1 500
Operating payments				500	500	500			
Venues and facilities		1 000							
Rental and hiring									
Social security funds									
Payments for capital assets	303 106	743 875	591 179	852 942	852 942	852 942	512 171	539 581	674 864
Buildings and other fixed structures	296 268	631 371	523 121	851 342	851 342	851 342	510 580	538 140	673 423
Buildings		631 371	523 121	851 342	851 342	851 342	510 580	538 140	673 423
Other fixed structures	296 268								
Machinery and equipment	6 838	112 504	68 058	1 600	1 600	1 600	1 591	1 441	1 441
Other machinery and equipment	6 838	112 504	68 058	1 600	1 600	1 600	1 591	1 441	1 441
Payments for financial assets									
Total economic classification	313 630	777 818	916 019	874 842	874 842	874 842	859 028	909 450	980 733

TABLE 4.38: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HEALTH PROFESSIONS TRAINING GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	782 122	807 204	840 700	895 305	895 305	895 305	939 575	993 057	1 048 010
Compensation of employees	359 496	420 164	521 454	578 920	578 920	578 920	623 543	655 547	663 652
Salaries and wages	276 175	294 043	463 469	475 139	475 139	475 139	513 950	539 926	541 672
Social contributions	83 321	126 121	57 985	103 781	103 781	103 781	109 593	115 621	121 980
Goods and services	422 626	387 040	319 246	316 385	316 385	316 385	316 032	337 510	384 358
Advertising									
Minor assets	12 475	9 143	1 683	23 414	23 414	23 414	21 008	22 328	24 605
Computer services							500	501	24
Laboratory services	104 208	58 026	25 209	22 836	22 836	22 836	27 410	28 570	21 623
Contractors			196						
Inventory: Materials and supplies			293						
Inventory: Medical supplies	217 652	235 590	262 006	242 899	242 899	242 899	239 507	256 797	306 266
Inventory: Medicine	88 291	84 281	21 306	18 608	18 608	18 608	17 148	17 941	14 794
Inventory: Other supplies			35						
Consumable supplies			21	450	450	450	83	83	
Consumable: Stationery, printing and office supplies			8 425	8 163	8 163	8 163	9 560	10 474	17 046
Travel and subsistence			72						
Training and development				15	15	15	816	816	
Transfers and subsidies		100	276	1 558	1 558	1 558	1 502	1 502	1 446
Households		100	276	1 558	1 558	1 558	1 502	1 502	1 446
Social benefits		100	276	1 558	1 558	1 558	1 502	1 502	1 446

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Other transfers to households									
Payments for capital assets	47 482	57 940	63 077	75 896	75 896	75 896	86 163	89 179	93 887
Machinery and equipment	47 482	57 940	63 077	75 896	75 896	75 896	86 163	89 179	93 887
Other machinery and equipment	47 482	57 940	63 077	75 896	75 896	75 896	86 163	89 179	93 887
Payments for financial assets									
Total economic classification	829 604	865 244	904 053	972 759	972 759	972 759	1 027 240	1 083 738	1 143 343

TABLE 4.41: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: NATIONAL HEALTH INSURANCE GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	8 921	2 697							
Compensation of employees	650	610							
Salaries and wages	550	610							
Social contributions	100								
Goods and services	8 271	2 087							
Catering: Departmental activities	81								
Communication (G&S)	13	20							
Agency and support / outsourced services	156								
Inventory: Food and food supplies		40							
Inventory: Materials and supplies		50							
Inventory: Medical supplies	2 429	340							
Consumable supplies	3 200								
Training and development	2 382	1 550							
Payments for capital assets	1 285	4 846							
Machinery and equipment	1 285	4 846							
Transport equipment		2 015							
Other machinery and equipment	1 285	2 831							
Payments for financial assets									
Total economic classification	10 206	7 543							

TABLE 4.42: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: NATIONAL TERTIARY SERVICES GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	3 333 553	3 275 426	3 569 541	3 491 625	3 491 625	3 491 625	3 691 159	4 053 330	4 276 263
Compensation of employees	2 220 101	2 314 839	1 966 476	2 089 538	2 089 538	2 089 538	2 262 902	2 440 326	2 574 545
Salaries and wages	2 100 674	1 633 580	1 783 999	1 722 350	1 722 350	1 722 350	1 807 248	1 963 345	2 142 969
Social contributions	119 427	681 259	182 477	367 188	367 188	367 188	455 655	476 981	431 576
Goods and services	1 113 452	960 587	1 603 065	1 402 087	1 402 087	1 402 087	1 428 257	1 613 004	1 701 718
Minor assets	10 099	24 727	2 590	16 916	16 916	16 916	7 352	8 625	9 099
Laboratory services	321 016	241 040	371 455	301 748	301 748	301 748	321 572	364 838	384 904
Contractors	62 671	89 234	107 343	121 310	121 310	121 310	140 682	148 609	156 782
Agency and support / outsourced services	6 074	1 000	11 000	11 000	11 000	11 000	18 000	18 674	19 701
Inventory: Fuel, oil and gas	490	490						73	77
Inventory: Medical supplies	417 499	390 180	849 789	709 123	709 123	709 123	704 858	795 436	839 185
Inventory: Medicine	271 905	206 504	255 252	225 167	225 167	225 167	226 694	267 334	282 037
Consumable supplies	12 758	2 982	4 156	5 123	5 123	5 123	5 599	5 859	6 181
Operating leases	8 121	4 430	673	11 700	11 700	11 700	3 500	3 556	3 752
Transfers and subsidies	17 666	14 407	176 752	228 529	228 529	228 529	322 857	307 214	324 111
Provincial Revenue Funds									
Non-profit institutions			150 000	200 000	200 000	200 000	300 000		
Households	17 666	14 407	26 752	28 529	28 529	28 529	22 857	307 214	324 111
Social benefits	17 666	14 407	26 752	28 529	28 529	28 529	22 857	307 214	324 111
Payments for capital assets	221 637	437 215	363 756	670 038	670 038	670 038	710 827	680 863	718 310
Machinery and equipment	221 637	437 215	363 756	670 038	670 038	670 038	710 827	680 863	718 310
Other machinery and equipment	221 637	437 215	363 756	670 038	670 038	670 038	710 827	680 863	718 310
Payments for financial assets									
Total economic classification	3 572 856	3 727 048	4 110 049	4 390 192	4 390 192	4 390 192	4 724 843	5 041 407	5 318 684

TABLE 4.43: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL SECTOR EPWP INCENTIVE GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	2 051	4 200	2 611	1 470	1 470	1 470	26 027		
Goods and services	2 051	4 200	2 611	1 470	1 470	1 470	575		
Consultants and professional services: Business and advisory services									
Contractors	2 051	4 190	2 560	1 406	1 406	1 406			
Inventory: Clothing material and accessories									
Payments for financial assets									
Total economic classification	2 051	4 200	2 611	1 470	1 470	1 470	26 197		

TABLE 4.44: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN PAPILLOMAVIRUS VACCINE GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments				27 298	27 298	27 298	28 826	30 411	32 083
Compensation of employees				5 472	5 472	5 472	5 778	6 096	8 105
Salaries and wages				5 472	5 472	5 472	5 778	6 096	8 105
Social contributions									
Goods and services				21 826	21 826	21 826	23 048	24 315	23 978
Catering: Departmental activities				36	36	36	38	40	42
Communication (G&S)				66	66	66	70	74	78
Contractors				3 589	3 589	3 589	3 790	3 998	4 218
Inventory: Medical supplies				447	447	447	472	17 821	17 128
Inventory: Medicine				15 997	15 997	15 997	16 892	498	525
Consumable: Stationery, printing and office supplies				120	120	120	127	134	141
Transport provided: Departmental activity				1 571	1 571	1 571	1 659	1 750	1 846
Payments for capital assets				14	14	14	15	16	17
Machinery and equipment				14	14	14	15	16	17
Transport equipment									
Other machinery and equipment				14	14	14	15	16	17
Payments for financial assets									
Total economic classification				27 312	27 312	27 312	28 841	30 427	32 100

TABLE 4.44: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCES CAPACITATION GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments							135 235	144 161	153 387
Compensation of employees							135 235	144 161	153 387
Salaries and wages							135 235	144 161	153 387
Social contributions									
Provinces and municipalities									
Payments for capital assets									
Payments for financial assets									
Total economic classification							135 235	144 161	153 387

TABLE 4.45: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: HEALTH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	627 778	660 736	723 913	767 186	705 905	705 905	620 257	597 985	626 452
Ekurhuleni	272 736	287 406	301 732	328 985	328 985	328 985	337 299	356 891	372 121
City of Johannesburg	241 769	253 506	266 927	272 638	272 638	272 638	216 483	170 734	180 244

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
City of Tshwane	113 273	119 824	155 254	165 563	104 282	104 282	66 475	70 360	74 087
Category C	29 673	14 590	15 191	16 084	16 084	16 084	17 017	18 038	18 038
Sedibeng District Municipality	7 120	7 416	7 767	8 288	8 288	8 288	8 769	9 295	9 295
West Rand District Municipality	22 553	7 174	7 424	7 796	7 796	7 796	8 248	8 743	8 743
Total transfers to municipalities	657 451	675 326	739 104	783 270	721 989	721 989	637 274	616 023	644 490

VOTE 5

DEPARTMENT OF EDUCATION

To be appropriated by vote in 2019/20	R 49 809 551 000
Responsible Executing Authority	MEC for Education
Administering Department	Department of Education
Accounting Officer	Head of Department

1. OVERVIEW

Vision

Every learner feels valued and inspired in our innovative education system.

Mission

We are committed to providing functional and modern schools that enable quality teaching and learning to protect and promote the right of every learner to quality, equitable and relevant education.

Strategic goals

The department has identified four strategic goals to achieve the imperatives of the strategic plan. The key provincial goals that the GDE plans to address are aligned to 10 pillars:

Goal 1: To deliver quality education in a conducive learning environment

Pillar 1: Curriculum and Assessment Development

Pillar 2: Teacher Provision and Support

Pillar 3: Leadership and Management

Goal 2: Provide an administration service that supports modern and innovative schools

Pillar 4: Infrastructure development and maintenance

Pillar 5: Planning, financing and resourcing

Pillar 6: ICT in Education

Goal 3: Transform public schooling by addressing barriers to access, equity and redress

Pillar 7: Social Cohesion

Pillar 8: School functionality including community involvement

Goal 4: Increase access to quality pre-post school educational opportunities

Pillar 9: Skills Development

Pillar 10: Access to quality Early Childhood Development (ECD)

To achieve these goals, the department will continue to work closely with other provincial departments such as the Gauteng Department of Social Development, Department of Health, Department of Infrastructure Development, Department of Sport, Arts, Culture and Recreation and the Department of Economic Development. These partnerships will also include those private sector organisations that share these goals and would like to come on board and invest their resources to ensure that the goal of quality education is achieved.

Re-Organisation of Schools (ROS)

The department will continue to implement the ROS strategy as the vehicle to transform the education landscape and as an instrument to implement the department’s strategic plan. The strategy is implemented through the Whole School Improvement (WSI), Curriculum Management Framework, Schools of Specialisation and the Twinning of Schools programmes as a roadmap for turning around underperformance and ensuring that all schools function at the level of great schools and improve learner performance at grade levels (Grade 1-12).

Core functions and responsibilities

The department will continue to work to ensure that people of all ages and backgrounds have the education, skills and opportunities to pursue activities that promote their well-being and build strong communities. GDE is primarily responsible for the delivery and regulation of pre-tertiary public and private schooling and is a delivery agent for skills development in the province. The department’s plans and service delivery areas are aligned with National and Provincial imperatives with a special focus on curriculum delivery, teaching and learning support materials and infrastructure, Information Communication and Technology (ICT) as well as teacher placements.

Main services

The department provides the following educational programmes:

- **Public Ordinary Schooling:** This involves the provision of public ordinary schooling to all learners in Gauteng (primary and secondary schools).
- **Independent Schooling:** This involves providing subsidies to qualifying independent schools and monitoring the conditions that are prerequisites for continued funding.
- **Special Schools Education:** This involves providing schooling to all learners with special education needs from Grade 1 to Grade 12, and non-formal education programmes.
- **Early Childhood Development:** This programme focuses on providing Grade R in state, private and community centres. The programme also provide support for pre-Grade R learners.
- **Skills Development:** This entails the improvement of skills in the province.

Underpinning the provision of the services above are the following education services:

- **Improving Teaching:** Curriculum development, implementation of support systems to teachers, learners and management, and assessment of learning. This includes specialist support to learners by therapists and educational psychologists.
- **Improving Curriculum and School Management:** Institutional development and support to schools through school development planning, subsidies, monitoring of institutional performance as well as monitoring and developing school governance.
- **Human Capital Development:** Provision of in-service programmes, management development and pre-service bursaries.
- **Provision of Resources:** Resource management and provision including the procurement of goods and services for schools that are not self-managing; provision of learner and teacher support materials (LTSM), administrative equipment and labour-saving devices.
- **National Senior Certificate examinations for Grade 12 and standardised testing for Grades 3, 6 and 9:** Setting-up standards and benchmarking a form of a school evaluation service established to measure and report on institutional and learner performance per school.
- **Parental Support:** Providing necessary support to parents so that they can support and monitor their children’s education through partnering with school governing bodies and schools.
- **Provide an administrative service that supports modern and innovative schools; transform public schooling by addressing barriers to access, equity and redress; and increase access to quality pre- and post-school educational opportunities.**
- **Provide direct support to schools with a view to improving learner performance and regulatory compliance through whole-school evaluation that will be used to measure school functionality.**
- **School infrastructure will be expanded and modernised, including the roll-out of e-learning, the development of smart classrooms and the creation of “schools of the future”.**
- **Construction of new schools, laboratories and the addition of more school libraries to further enhance the public-school environment.**
- **The introduction of “Schools of Specialisation” to address the critical skills shortages in South Africa by nurturing the system’s most talented learners in specialised learning spaces.**
- **Implementation of the Gauteng Master Skills Plan II that articulates the provincial skill priorities and provides a roadmap for how the department sets out to achieve the ambitious vision set out in the plan.**

Ten Pillar Programme of Transformation, Modernisation and Re-Industrialisation

The department will continue to implement programmes that support the Gauteng Provincial Government's strategy of Transformation Modernisation and Reindustrialisation (TMR). The department's programmes emphasise radical socio-economic transformation that will transform Gauteng into "a seamlessly integrated, socially cohesive, economically inclusive City Region; a leading economy on the African continent underpinned by smart, innovation-driven, knowledge-based and sustainable industries; an accountable, responsive, transparent and clean government and an active citizenry".

Pillar 1: Radical economic transformation promotes youth employment.

The province - through the Gauteng City Region Academy (GCRA) - will focus on skills development specifically to promote youth employment. As part of the Master Skills Plan II, the Gauteng Department of Education (together with the Gauteng Department of Economic Development) will introduce a range of skills development programmes and training opportunities, internships and learnership programmes that will give the youth in the province the edge when entering the job market.

Pillar 3: Accelerated social transformation using quality education as a lever to accelerate social transformation.

The modernisation of classroom practice is critical to achieving quality education in the classroom. The department is focusing on bringing education into the 21st century by working together with the Gauteng Department of Social Development, Department of Health, Department of Infrastructure Development, Department of Sport, Arts and Culture and Recreation and the Department of Economic Development to deliver quality education in the province.

Pillar 4: Transformation of the state and governance to achieve the GCR capacity and skills development programme.

Transformation of the state and governance will be facilitated through the Gauteng City Region capacity and skills development programme. The GCRA will focus on skills development of public servants to lead the transformation of services and interventions. The focus will be on integrating the training of provincial and local government officials as well as supporting the creation of a seamless public service to support and realise the broader GCR vision.

Pillar 5: Modernisation of the public service

Modernisation of the public service will align fully with modernising the delivery of public education. The department will harness the power of ICT in schools and the education system. All teachers and learners will have progressive access to broadband, smart learning and teaching tools. This is consistent with the vision of the province to build a smart, knowledge-based innovation-driven Gauteng economy.

Acts, rules and regulations

- National Policy on Screening, Identification, Assessment and Support (SIAS) (December 2014);
- Regulations Relating to Minimum Uniform Norms and Standards for Public School Infrastructure, 2013 (Government Notice R920 in Government Gazette No. 37081);
- The National Curriculum Statement Grades R-12 (Government Notice No. 722 in Government Gazette No.34600 of 2011);
- Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007);
- White National Education Information Policy, 2004 (GN 26766 of 7 September 2004); Paper on e-Education, 2004 (GN26734 of 26 August 2004);
- Public African Council of Educators Act, 2001 (Act 31 of 2001), as amended;
- Promotion of Administrative Justice Act, 2000 (Act No.3 of 2000);
- Promotion of Access to Information Act, 2000 (Act No.2 of 2000);
- Finance Management Act, 1999 (Act No.1 of 1999), as amended;
- Skills Development Act, 1998 (Act No. 97 of 1998), as amended;
- Employment of Educators Act, 1996 (Act 76 of 1998), as amended;
- Employment Equity Act,1998 (Act No.55 of 1998);
- Gauteng Education Policy Act, 1998 (Act No. 12 of 1998), as amended;
- Batho Pele - "People First": White Paper on Transforming Public Service Delivery (September 1997);
- South Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), as amended;
- South African Schools Act, 1996 (Act 84 of 1996), as amended;
- National Education Policy Act, 1996 (Act 27 of 1996), as amended;
- White Paper on Education and Training (March 1995);
- Gauteng Schools Education Act, 1995 (Act No.6 of 1995), as amended;
- Public Service Act, 1994 (Proclamation 103, Published in GG15791 of 3 June 1994);

- Occupational Health and Safety Act, 1993 (Act 85 of 1993); and
- Interim Policy for Early Childhood Development (undated).

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

In terms of the specific deliverables of the department, the following has been achieved:

Goal 1: Deliver quality education in a conducive learning environment

Pillar 1: Curriculum and assessment development

Mainstreaming of the Primary Schools Language and Mathematics Interventions – Literacy and Numeracy (LITNUM) Strategy

The Gauteng Primary Schools Intervention Strategy continued to provide additional support to learners by providing quality assessments to improve learner test scores for School Based Assessments (SBA) in Grade 3, 6 and 9.

The School Management Team (SMT) component was capacitated to roll out the Literacy and Numeracy Programme in schools. A team was established to develop the monitoring tools to be utilised by the SMT. This initiative was aimed at strengthening instructional leadership at school level. The department further conducted a capacitation workshop for Deputy Chief Education Specialists (DCES) and Chief Education Specialists (CES).

Read to Lead Campaign

The department provided support to the Read to Lead Campaign by rolling out the Drop all and Read (DAR) Programme in 1 500 primary schools. The Department of Basic Education initiated the programme in line with the Language Framework to enhance independent reading and promote the love for reading amongst learners beyond the classroom in the Foundation Phase, whereby schools set aside 30 minutes per week for reading. The provincial “Read to Lead” launch was held during the period under review to ensure that the provincial four regions showcase their best practices to improve reading.

The Reading club Programme was continued through the collaboration between the Library Services and the Nali’bali Campaign in 450 schools. A total of 30 schools per district took part in the programme. The reading clubs were conducted in nine official languages (excluding SiSwati and IsiNdebele). The department procured and delivered the reading cards to schools to track new vocabulary and allow learners to summarise the stories that they have read. A total of 300 teachers were trained on how to set up reading clubs. Books have been delivered to 45 primary schools to prepare learners with reading for the district Pendulani Literacy Quiz eliminations.

The support was also provided to the English First Additional Language (EFAL): Primary Schools Reading Improvement Programme (PSRIP). This programme is intended to enhance the “Teaching of Reading” in schools that offer English as a first additional language. It is the initiative of National Education Collaboration Trust (NECT) together with the DBE to improve reading in the Foundation Phase. The intermediate phase District Subject Advisors (DSAs) across the nine provinces were trained by the DBE/NECT. These officials will subsequently be expected to train teachers from the Foundation Phase in 103 Primary Schools in which the programme has been introduced. Each District Subject Advisors (DASs) support a minimum of 39 schools across the 15 districts. The Early Grade Reading Assessment (EGRA) Programme for Foundation Phase was also supported for the period under review.

The South Africa Children’s Book Fair was held for primary schools and secondary schools. A total of 335 learners from seven schools participated. A total of 1 161 teachers were targeted for the programme in seven identified schools per district. All the participating schools were issued with EFAL toolkits consisting of lesson plans, posters, charts, flashcards, readers and an anthology of stories.

The Foundation Phase officials were trained and they cascaded the training to 105 Primary Schools Reading Improvement Programme (PSRIP) pilot schools which yielded an improvement in the “Teaching of Reading” in Foundation Phase. Training workshops were conducted to support the Certificate in Primary English Language Teaching (CiPELT) and Certificate in Secondary English Language Teaching (CiSELT) methodologies. The CiPELT and CiSELT Provincial Team - which is comprised of English Provincial Coordinators and teacher development officials from the Matthew Goniwe School of Leadership and Governance (MGSLG) - finalised the training plans for 2019 academic year.

The department also rendered support to the English Across Curriculum (EAC) Programme. Language Across the Curriculum (LAC) and English Across the Curriculum (EAC) were used as a vehicle to establish reading and writing practices in schools. The Top 3 learners in Gauteng represented the province well in the DBE National Spelling Bee that was held at the University of South Africa (UNISA).

Library Services

The department continued with the campaign to expand and improve library services in Public Ordinary Schools (POS) through the mobilisation of resources to improve educational experiences for underprivileged children who do not have access to books. The Mobile Library Service reached 31 709 learners and 8 186 teachers in 97 primary schools. The Mobile Library Services Programme was provided to 92 primary schools in rural areas and informal settlements. A total of 1 333 library books were lent to 245 teachers. The library assistant conducted storytelling and reading to 5 498 Foundation Phase learners. The Pendulani Quiz event was conducted and 31 teams – consisting of six members per team - took part in the competition at Provincial level.

The Book Flood Campaign

The department continued to implement a Book Flood Campaign, which is a programme whereby the communities are requested to donate books which are distributed to schools. The bins to drop off the donated books for schools are kept at head office and district libraries. The department is currently organising the School Library and Reading Summit.

Numeracy Strategy

The department coordinated the development, distribution and administration of Grade 3 Mental Mathematics Tests for cluster and district competitions. This test was aimed at improving learner performance and instilling the love for mathematics in grade 3 learners. As part of the numeracy strategy, capacity-building workshops on content knowledge and methodologies were conducted for district officials, lead teachers and Foundation Phase teachers. Sixty Grade 3 learners participated in the Mental Mathematics Challenge at provincial level. These learners were awarded with certificates, medals, trophies and gifts at Sci-Bono Discovery Centre.

Mathematics Intervention

The implementation of the Grade 8 and 9 Mathematics Strategy aimed at achieving a pass rate of at least 60 per cent was monitored in all schools. The focus was on strengthening the teaching of mathematics in all schools. The Provincial Monitoring Team (PMT) met regularly to discuss progress on the strategy. The 454 SSIP secondary schools were given resources to implement the strategy. The Mathematics Science and Technology (MST) workshop was conducted successfully in which 2 950 MST educators were trained. The term 4 lesson plans were developed and monitoring tools have been sent to districts to be used at school and district levels.

All the 15 districts have completed the school and cluster Mathematics Olympiad competitions. The provincial Mathematics Olympiad is a mass-based programme aimed at developing learners' Mental Mathematics skills in the four basic operations, as well as quiz questions to cater for higher-order question when learners engage in Mental Mathematics activities every day. A total of 360 learners from all districts participated.

Incremental Introduction of African languages (IIAL)

The department continued to support the IIAL Programme in schools with the aim of promoting the Language in Education Policy (LiEP) which, amongst others, is to achieve language equity and to re-dress inequalities experienced in teaching previously disadvantaged African languages.

The programme is currently being implemented at Second Additional Level (SAL) in 356 Grade 1 - 3 schools in the province. In supporting the programme the department provided schools with electronic IIAL soft copies of Grade 3 toolkits. 200 IIAL posts were secured for this programme, with each teacher teaching in a maximum of three schools. Appointment letters were issued to all teachers recruited for this purpose. Monitoring and support was conducted in all the 356 schools implementing the IIAL Programme at Second Additional Language (SAL) level in grades 1 - 3. As part of the 2018 IIAL training roll-out plan and mediation of resources, teacher orientation took place to accommodate new teachers. Resources like CDs with Grade 2 lesson plans were delivered to schools.

Standardised Testing

The department introduced standardised tests as a replacement to the Annual National Assessments (ANA). These tests are focused on improving learner test scores/School Based Assessment (SBA) for Languages and Mathematics in Grade 3, 6 and 9.

The purpose of standardised test is to improve learner performance and can assist the system to identify the gaps and come up with interventions to close the gaps. Common exams for grades 6 and 9 were administered after the internal and external moderation were conducted on the papers. District officials monitored the administration of the common assessment tasks.

The common question papers for the 2018 November Provincial Examinations were set, edited, typed and translated.

The Secondary School Improvement Programme (SIPP)

The department continued to implement the SSIP in 454 schools to improve the matric pass rate and the quality of matric passes. The Saturday and Holiday Programme, Matric walk-in and residential camps hosting moderate and high-risk learners

and the Second Chance Programme were conducted for gateway subjects. Pre- and post-tests for 12 subjects were set, moderated and administered during the vacation camps.

Saturday and Holiday Programme

The Saturday and Holiday Programme was implemented and benefitted 36 727 learners. This programme was implemented in 154 centres for gateway subjects as well as for technical mathematics and technical science. Monitoring and support activities were conducted at all sites. A total of 10 854 high-achieving learners attended a one-week SSIP camp during the school holidays.

Matric walk-in and residential camps hosting moderate and high-risk learners

Mathematics and physical science walk-in camps were conducted for moderate and high-risk learners in nine districts (Gauteng West, Gauteng East, Tshwane South, Sedibeng East Districts, Ekurhuleni South, Sedibeng East, Sedibeng West, Johannesburg South and Johannesburg Central). A total of 8 852 learners attended. In preparation for the examinations, Learner Support Material was developed and distributed for each of the twelve subjects. Daily attendance registers and monitoring reports were administered and consolidated for each subject per site.

The Second Chance Programme

This programme was implemented for gateway subjects in the ten centres for 1 252 learners, namely Kwabhekilanga Secondary School, Ivory Park Secondary School, Mamelodi Teachers Centre, Lemoshanang Teachers Centre, Filadelfia Secondary School, Arcellor Mittal Centre, Cosmo City Secondary School No1, Emshekantambo Secondary School, Mpontsheng Secondary School and Mabuya Secondary School. Mathematics, mathematics literacy, accounting, physical science, life science, economics, business studies, tourism, history and geography were offered during these sessions.

Grade 12 SSIP tutor training capacitated a total of 708 tutors regionally. The training focused on the pedagogy for SSIP and the use of the SSIP material in 10 subjects.

Decentralised District and School Programme

Mediation of the Whole School Evaluation Policy was conducted with a focus on how to conduct a SWOT analysis, conduct Internal Whole School Evaluation and School Self Evaluation (IWSE/SSE) using the guidelines and criteria; and to develop and complete a School Improvement Plan (SIP), SIP Action Plan, reporting on intervention activities using the SIP. A confirmed weighting for the nine Areas of Whole School Evaluation were submitted to the programme developer to be included in the software.

National Senior Certificate (NSC) Examinations

The department managed to capture the 2018 NSC full-time, part-time and repeat candidate's entries online. The district staff was capacitated to capture candidate entries directly on the mainframe. The capturing was centralised at the provincial office. The capturing of entries was quality assured and audited. The management plan to capture marks on the mainframe Integrated Examination Computer System (IECS) has been developed to assist the department to process candidate's marks and results for 2018 under the supervision of the senior manager.

Matric results

The performance of the province in 2018 reflects a significant improvement in terms of both the pass rate as well as the percentage bachelor passes obtained by the candidates. The province has improved its overall results in the matric pass rate with a pass rate of 87.9 per cent in 2018. This is the highest pass rate that the department has achieved since 1994. Eight of the GDE districts were among the top 10 best performers countrywide.

In 2018, 107 165 learners entered the National Senior Certificate (NSC) examinations. Of these, 94 870 wrote and 83 406 learners passed. In respect of the 2018 cohort, 41 410 learners achieved a bachelor pass which translates into 43.65 per cent which exceeds the 2018 target. A total of 28 775 learners achieved diploma passes which translates to 30.33 per cent.

Establishing Schools of Specialisation to strengthen our skills base

In supporting the effective usage of digital teaching and learning resources, the department targeted 18 Schools of Specialisation (SOS), across five disciplines, in the economic development corridors. Nuclear Energy Corporation South Africa (NECSA) launched the Phelindaba and Edward Phatudi as nuclear schools. Rhodesfield Technical High School was also launched as an Engineering School with a special focus on Aviation.

Eighteen Schools of Specialisation are in the process of being gazetted across five disciplines in the economic development corridors and six existing Schools of Focussed Learning are in the process of being transitioned into Schools of Specialisation. A total of four educators from Kathlehong Tech, Langlaagte and Nelmapius Secondary Schools received the Siyavula learners maths and science practice. Six learners also received awards for accumulating more atoms.

The Tech Model Programme, which will allow learners to start a tertiary qualification while they are still at school, is still in the planning phase. Discussions with universities for their buy-in is underway and the identification of courses that learners would do in relation to this programme is in progress.

Pillar 2: Teacher development and support

The South African Council of Educators' (SACE) Professional Teacher Development Seminars were conducted in districts by SACE officials and supported by the provincial Centre for Professional Development and Training (CPTD) coordinator. A total of 575 educators are currently registered with higher education institutions for upskilling and re-skilling programmes. A list of 110 female SMT members and 40 principals has been sent to the MGSLG for the Quality Learning Teaching Campaign (QLTC).

Terms of reference for the tender process for both Women Empowerment and Technical Programmes have been advertised. A total of 300 educators with qualifications that are below the Relative Education Qualification Value (REQV) 14 have been recruited and registered with different universities for 2019 academic year.

The department continued to support teacher development initiatives by capacitating teachers on content, assessment, teaching and learning methodologies as an integral part of the Whole School Improvement (WSI). A total of 5 611 teachers were trained in the period under review. Training were also conducted for 1 262 ICT teachers, 289 school-based ICT committee members to support teachers in the classrooms and for 306 District Subject Advisors (DSA) who were trained on integration of ICT and the digital framework in their specific subjects.

Pillar 3: Leadership and management**Review and implementation of the new departmental structure**

The department has finalised the re-design of its new district model, with five virtual districts aligned to the five economic corridors in the province. This is aimed at improving accountability to support the quality of teaching and learning and ultimately improve learner performance. The department continued to support and provide leadership to schools in order to improve schools' functionality and efficiency. The new district model offers direct support to school management. Head Office provided on-site training to capacitate the SMT in support of the implementation of the new GDE structure.

The re-aligned structure ensured that the department improves service delivery especially in the classroom. The operational model of the district was clarified with officials to ensure quality service to the clients as line functions and accountability is perceived to be overlapping with HR Transversal Services.

School Management Team (SMT) support and training

In the new district model support was directed to SMTs as they play a central role in the functionality of schools. A total of 380 SMTs from 300 schools were trained on the management of e-learning at their schools. The department further capacitated the SMTs in terms of monitoring the afternoon SSIP sessions that were conducted according to the timetables drawn by individual schools. The department centralised its functions and provided deepened support through the utilisation of ICT.

A language and mathematics strategy for the SMTs' Train the Trainer workshop was conducted for 75 languages and mathematics subject advisors. An on-boarding session was held for circuit managers and Institution Development Support Officers (IDSO). Module 1 of the training participant manual was submitted to SACE for endorsement and submitted to the printer.

Public servant capacity programmes

To improve core and generic management competencies and government performance in the province, a total of 1 037 staff members were trained through the compulsory induction programme. A total of 812 curriculum development facilitators were trained. A total of 435 newly appointed Grade R practitioners attended the Grade R Induction workshop across the districts. Office Staff Training and Development (OSTD) trained 182 employees through internal and compulsory induction and 31 internships and 45 learnerships were created during this reporting period.

Goal 2: Provide an administrative service that supports modern and innovative schools**Pillar 4: Infrastructure development and maintenance**

During this reporting period, one new school (Everest Primary School) and one restorative and repair project (Hugenoot Primary School) has reached completion while Prinshof LSEN School has reached practical completion. Ten Grade R classrooms were completed. Eighteen new schools are under construction while day-to-day maintenance was completed in 44 schools.

The mobile classes that were provided for Grade R were adapted and designed to cater for small children. Facilities that were not as per requirement were replaced with brick and mortar or ACT Grade R classrooms. New schools and additional classrooms that were built have access to computers and broadband internet (ICT compliant).

All the 2 207 schools have access to sanitation, water and electricity as per the National Norms and Standards for School Infrastructure. Alternative provision of services was provided to schools in the meantime whilst awaiting municipal intervention in some areas.

Pillar 5: Planning, financing and resourcing

The department has introduced reforms in order to create greater accountability and more focused planning and delivery. The formats of strategic plans linked to departmental budgets, performance agreements, in-year and post-year reports were consolidated and include meaningful financial and non-financial performance information.

The focus on delivering all the Transversal Human Resource Services (THRS) transactions within the 30-day standard - with regards to appointments, promotions, transfers, terminations, travel allowances, salary structure, overtime, acting allowance, performance bonuses, pay progressions, service records, long services, leave pay-out, qualification bonuses, probations - was re-emphasised to the entire HR management. The department promoted good governance in HR practices through the monitoring of implementation of human resources delegations and the e-request system is currently been utilised for the creation of posts on PERSAL.

Substantial progress has been made towards the finalisation of the Public Ordinary Schools (POS) Feeder Zone Demarcation Project. Approximately 2 067 feeder zone maps had been finalised in line with the Judgment of the Constitutional Court of 20 May 2016 and have been published in the Government Gazette for consultation. A total of 334 schools had contested their proposed feeder zones and their concerns had been addressed by the department. The department is currently processing appeals obtained from 40 schools.

Pillar 6: ICT in education

The department continued with the implementation of the GDE e-Learning Strategy. At the Centre of the GDE e-Learning Strategy is the roll-out of the 'Schools of the Future Paperless Classroom' Programme. The department has successfully completed the Grade 12 ICT rollout with the Grade 11 roll-out nearing completion in the no-fee paying secondary schools. The programme also saw the rollout of Full ICT Schools where two SOS, Edward Phatudi and Phelindaba Secondary were launched.

The department has also supported the effective usage of digital teaching and learning resources in schools by providing and mediating the Multimedia Digital Content to 17 600 grade 8 -12 learners, 560 teachers in the Full ICT Schools', Grade 11 and 12 classrooms in 356 no fee/58 fee-paying secondary schools, and 200 District Subject Advisers (DSAs). The availability and utilisation of learning tablets in the classroom has been reported as being good and learners benefited a lot from loaded e-content resources including videos. The roll-out of the Schools of the Future LED Smart Boards, teacher laptop and learner tablet devices to support and enhance the Grade 10 - 12 teaching and learning process will continue in the 2019 academic year. The department is on track with the preparations for e-content provisioning as part of the ICT rollout.

The department is continuing with the training of ICT Schools on the use of Resource Management System (RMS). The RMS is a web-based programme which will enable individual ICT schools to complete curriculum profiling and requisitioning electronically. A total of eight of the 56 Full ICT Schools have already received training on the use of RMS. The training participants included school principals, ICT coordinators, LTSM coordinators, SMT member, admin support and the school-based ICT intern e-learning officials. Schools were allocated specific procurement budgets within which they were expected to choose and procure using the RMS system for the 2019 academic year.

Goal 3: Transform public schooling by addressing barriers to access, equity and redress

Pillar 7: Social cohesion

School Nutrition

In improving access to schooling for learners, the department provided daily nutritious meals to 1 462 233 learners from quintile 1-3 (no-fee paying) and quintile 4 and 5 (fee-paying) schools through the National School Nutrition Programme (NSNP) and Provincial Equitable Share allocation. A total of 1 414 629 learners benefited from the implementation of the No-Fee School policy.

Scholar Transport

A total of 124 752 qualifying learners were transported throughout the province. Buses that were used for learner transport were subjected to compulsory testing at least once per annum during school holidays. All buses were tested in January 2018 as part of the new tender compliance and re-testing was done in November and December 2018.

School Safety Programme

The safety of all learners, teachers and support staff on school premises remains one of the department's key priorities. The department continued its collaboration with various stakeholders and ensured that schools are linked with their local police stations, the Gauteng Department of Community Safety and the Gauteng Department of Social Development. The search and seizure operations were conducted at all identified high risk schools.

School Sport

The District Winter Games and Summer Games were conducted for rugby sevens, football, netball, hockey, tennis, chess, gymnastics, softball, table tennis, basketball and cricket sporting and volleyball at district, regional and provincial level. The province adopted the Top Schools format to ensure that regular leagues were played across clusters. All the districts held their district championships which included both genders and the LSEN sector.

The Mini World Cup 2018 was conducted successfully, with districts commencing with their district mini World Cup tournaments. The events catered for the 10-year age group and included a girl. A total of 5 764 learners and educators participated in the events across the province. The provincial finals were held in June at Gresswold LSEN School and 320 learners took part in the event.

The Healthy Wednesday Sports Programme was supported and schools were registered for the school sport league across the fifteen districts. The department, in collaboration with the Gauteng Department of Sport Arts Culture and Recreation (GSACR), provided schools with equipment and uniforms to promote their participation in netball, football, table tennis, tennis, gymnastics and volleyball. The District Awards Team held a review session in preparation for the 2019 events.

Special Needs Education

The department increased its focus on providing delivery of quality special education. Further support was rendered to autism schools, autism-specific capacity building and support. A total of 100 educators from all districts were trained by Autism South Africa on managing challenging behaviour.

The Inclusion focus week was held for educators, therapists, psychologists, counsellors and district officials to capacitate schools and districts in utilising new techniques to increase support provisioning in schools. A total of 4 186 Grade 12 learner special concession applications were considered for all districts. 4 007 (97 per cent) of the applications were approved and 178 (4 per cent) were declined. A total of 1 747 applications for Grade 10 and 11 learners have been processed.

The department ensured that existing special schools were optimally utilised to expand access to education and to limit the waiting period for admission to a special school through the District-Based Support Team (DBST). Special Schools as Resource Centres provided increased number of outreach activities and assisted schools with assessments of learners.

The department has developed processes in all 15 districts to ensure that the timeframes outlined in the management plan for early identification of Grade R and Grade 1 learners are adhered to. Guidance and support was provided to all the districts to ensure that training plans are in place for the year in order for schools to be trained on the Screening Identification Assessment and Support (SIAS) Policy. The Grade R and Grade 1 screening tools were finalised and distributed to all districts along with reporting templates and management plan with clearly defined timeframes for implementation.

A total of 695 educators from the Ekurhuleni South (ES), Ekurhuleni North (EN), Tshwane South (TS), Gauteng West (GW) and Tshwane North (TN) districts were trained on the implementation of the SIAS Policy. DBSTs were further trained to ensure the early identification of barriers and facilitation of appropriate remedial strategies timeously and efficiently.

A total of 80 744 Grade R learners were reached during the screening and identification of learning barriers, such as dyslexia and psycho-motor disorders. They were provided with simple assistive devices. From this exercise it was found that 7 840 Grade R learners were found in need of further screening and support. Districts provided monthly progress reports to indicate progress made with the 7 840 learners found in need of further screening and support.

Pillar 8: School functionality including community involvement**Parental support:**

The departmental officials were involved in empowering parents with parenting skills. A total of 300 parents and SGB members from selected schools attended a parental involvement session aimed at bridging the gap between what is

communicated to the learners in schools and homes about sexual reproductive health, HIV and life skills education. A total of 670 SGB members were trained on Screening Identification Assessment and Support Policy (SIAS) to clarify specifically the role of SGB in realising the implementation of SIAS.

The department promoted the mobilisation of civil society and strengthened parental support to support the inputs and outcomes of a quality education system. Stakeholders' involvement was promoted through the Professional Learning Communities (PLCs). The training to support the new section 17 SGB and the newly paired schools was conducted with a focus on roles and responsibilities of the Section 17 - Governing Body serving two or more schools in line with the South African Schools Act, Act 84 of 1996.

Goal 4: Increase access to quality pre- and post-schooling educational opportunities.

Re-organisation of Schools (ROS)

The Re-organisation of Schools team together with the Further Education and Training (FET) officials conducted monitoring and support visits to schools of specialisation, i.e. Curtis Nkondo, Mandisa Shiceka and Magaliesburg. The curriculum offering was supported during the visits.

The Twinning Programme:

The department continues with its initiative to expand the rollout of the twinning programme. To date, four pairs of schools have been gazetted. The following three pairs of schools have been published for public comments:

- Mikateka Primary School and Halfway House Primary School;
- Unity Secondary School and Wordsworth High School; and
- Madiba Secondary School and Hoërskool Bastion.

To build capacity of the new section 17 School Governing Bodies, an SGB summit was held. The purpose of the summit was to share the skills and plans to improve the performance of schools through good quality leadership and governance. The Public Ordinary Schools Unit and MGSLG have commenced with training of Section 17 SGB and newly paired schools.

As part of the handover process, the department developed a repository site with all the procedures regarding the twinning processes. Two Professional Learning Communities (PLC) training sessions for cluster leaders and circuit managers from each district were held focusing on roles and responsibilities of Section 17 SGBs in line with South African Schools Act and the draft regulations.

Whole School Improvement (WSI)

The WSI Strategy continued to strengthen the monitoring, reporting and accountability processes at all levels based on the nine focus areas of Whole School Evaluation (WSE) schools categorised based on their performance. A positive shift was observed as more schools moved from underperforming to performing after they were supported by officials.

Pillar 9: Skills development

The department provided opportunities and bursaries to learners and students to attend institutions of higher learning. This was in support of the Master Skills Plan II programmes through the GCRA to support the economic growth of the province.

A total of 2 998 grades 8 and 9 learners had access to career guidance and counselling through lay career counsellors and a total of 2 532 bursaries were awarded to the top three learners in no fee-paying schools.

In addressing the high number of unemployed graduates required, the department has received 20 173 unemployed young people registered on the database during the current quarter and 1 303 graduates benefited from experiential and workplace experience to date.

In enhancing the skills profile of the province, 1 252 learners were provided with internships. A total of 511 learners were adopted and supported by organisations with a view to career pathing and employment. These organisations strategically focused on expanding career and employment opportunities for such learners. The Technical and Vocational Education and Training (TVET) colleges' learners were awarded artisanal bursaries to allow them to be able to participate in the GCR economy.

The GCRA has signed an MOU with FLYWISE SA to create awareness, conduct training and job shadowing for school learners from no-fee paying schools focusing on aviation careers. The programme will focus on aeroplane/helicopter piloting, cabin crew and other aviation careers for 2 000 grades 9 - 12 learners.

Pillar 10: Access to quality early childhood development

Universalisation of Grade R

In ensuring that all learners entering the schooling system should have participated in Early Childhood Development (ECD) programme regardless of their socio-economic status, the department continued to support its mandate to increase and expand Grade R to all public schools as well as the registration of new Grade R sites and the procurement of additional classrooms to meet the demand.

The department completed the registration of 155 new Grade R Sites for 2019, with 125 sites in Public Ordinary Schools (POS), 11 in Community-Based Sites (CBS) and 19 in Independent Schools (IS). The process of allocation for the Grade R Indicative Resource for the 2018/2019 financial year was conducted and schools received their allocation certificates.

A total of 22 ECD Centres-Based Sites with 37 Grade R practitioners were monitored and supported for CAPS implementation. The mediation and implementation of Grade R school readiness assessment was conducted. Preparations for the Annual teaching plans, rubrics and SASAMS record sheet for 2019 term 1 were completed. The development of Grade R readiness assessment tool for 2019 was completed and lesson plans, exemplar assessment activities and classroom layouts were provided as support materials.

In supporting the Reggio Emilia Child Approach Didactical Approach, five ECD centres which were earmarked for Centres of Excellence. The ECD centres were visited and their profiles were developed. Training for ECD practitioners from the Centres of Excellence and officials were conducted in November and December 2018.

Grade R Practitioner Training

The department continued to provide capacity building for Grade R practitioners on assessment and curriculum practices to improve the quality of teaching and learning in the classroom as follows:

- 219 Grade R practitioners are enrolled for the third and final year Diploma in Grade R Teaching NQF L6;
- 431 Grade R practitioners are enrolled for the first year Diploma in Grade R Teaching; and
- 222 Grade R practitioners are enrolled for the second year B.Ed. Foundation Phase.

The department is awaiting the amendments to legislation and the funding from the DBE to enable the employment of qualified Grade R practitioners as PL1 teachers.

Pre-Grade R Practitioners

- 500 Pre-Grade R practitioners enrolled for NQF L4;
- 274 Pre-Grade R practitioners enrolled for training in curriculum;
- 169 Pre-Grade R practitioners were trained by ECD Officials on NCF and Lego.

Early Identification Programme

The testing of Grade R learners for early identification of learning barriers, such as dyslexia and psycho-motor disorders, was conducted and simple assistive devices were provided to learners. The Screening for the Early Identification of Learning Barriers have been conducted in all schools monitored.

A total of 80 744 Grade R learners were screened with 7 840 Grade R learners found to be in need of further screening and support. Progress reports on learner support were received quarterly and the ECD Directorate - in collaboration with Inclusion and Special Schools (ISS) - have developed Guideline Document for Early Identification of barriers to learning and service provider has been briefed for distribution to centres.

Grade R in Community-Based Centres (CBC)

The department focused on strengthening the implementation of the Grade R Strategy towards universal access by 2019, thus increasing the number of Grade R learners in Community-Based Centres. In increasing the number of Grade R learners in Community Centres, the department coordinated data on the number of Grade R learners admitted to date.

Thirteen Grade R practitioners from 12 ECD centres in the Thembalihle Informal Settlement were supported through an Induction Workshop including CAPS training. These centres were supported by UNISA with the Gauteng Department of Social Development registration process with. The Grade R practitioners in five districts JHB East, Sedibeng East, Gauteng West, Ekurhuleni North and Gauteng West were also supported.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

In consideration of the Transformation, Modernisation and Reindustrialisation (TMR) programme of the Gauteng Provincial Government, Action Plan to 2019, National Development Plan (NDP) and the financial resources allocated to the Gauteng Department of Education, the department will continue to implement the following priorities over the 2019 MTEF:

- Improving learner performance in grades 3, 6 and 9;
- Improving pass rate and quality of matric results;
- Improving enabling conditions at schools through a focus on the functionality of schools;
- In terms of infrastructure eradicate non-compliant school buildings;
- Facilitate transition to post-school opportunities;
- Determination of the feeder zones;
- Improve the GDE financial management and audit outcomes;
- K53: review model and implement for all Grade 11s;
- Ensure that the ICT programme is progressively expanded to all township secondary schools;
- Establishing Schools of Specialisation; and
- Re-organisation of Schools (ROS) programme that seeks to operationalise the Department's 10 Pillar Strategy

Goal 1: Deliver quality education in a conducive learning environment

Pillar 1: Curriculum and assessment development

Improve learner performance (Grade 3, 6 and 9)

This priority will focus on improving learner test scores for School-Based Assessments for Literacy/Language and Numeracy/Mathematics in Grade 3, 6 and 9 through:

LITNUM Strategy – Grade 1-9 (Language and Numeracy Strategy)

The strategy intends to lock in gains made in language and mathematics through the implementation of key interventions namely literacy and numeracy in the foundation phase, which include the Read to Lead Campaign, library services, the Book Flood Campaign and the Grade 8 and 9 Mathematics Strategy.

Read to Lead campaign

The Read to Lead Campaign is a four-year campaign to ensure that all learners can demonstrate age-appropriate levels of reading by 2019. The campaign will be implemented across all levels of the Gauteng education system. Departmental officials, School Management Teams (SMT) and educators will form an integral part of the Read to Lead Campaign. The department will work with community-based ambassadors for reading; the Publishers Association of South Africa; celebrities, prominent members of communities and authors will read the stories to learners and share the advantages of reading. The department will also use social media to promote reading activities and a Read 2 Lead application will also be created. A concept document will be developed which will outline the envisaged activities across the system.

In addressing the gaps highlighted by the Progress in International Reading Literacy Study (PIRLS) 2016, the department will continue with implementing its curriculum programmes which include the expansion of the Drop All and Read (DAR) Programme to all phases focusing on grades 1 - 3. The DAR Programme allows the learners to read for enjoyment for 30 minutes per week. The English Across Curriculum (EAC) will target learners in grades 4 - 12. This programme strengthens

English proficiency and strengthens the implementation of Early Grade Reading Assessment (EGRA) for foundation phase learners in 555 primary schools to ensure an early diagnosis of reading gaps.

The department has implemented study courses for educators offering Certificate in Primary English Teaching (CiLPELT) and Senior English Teaching (CiSELT) to improve English in the classroom. Furthermore, the department will continue to implement the English First Additional Language (FAL) programme and Primary School Reading Improvement Programme (PSRIP) in 105 primary schools. The programmes will be extended to 550 priority schools in preparation for transition into the Intermediate Phase. The reading clubs (Nali’Bali) story-writing activities in the General Education and Training (GET) band and spelling Bee competitions will be introduced to make the campaign a success.

Library services

In support of the Read to Lead Campaign, the library services will be improved across all public ordinary schools in the province. The activities that will occur within the ambit of library services are the DBE 1 000 School Libraries campaign, which aims at mobilising resources and support from various sectors of society to improve the educational experience for underprivileged children through the provision of 1 000 libraries with thousands of books. Other activities include creative writing competitions and the South African Book Development and International School Library Month. The literacy month will be celebrated across the province.

The Book Flood Campaign

The Book Flood Campaign programmes and activities will continue over the 2019 MTEF. Districts will continue to roll out the campaign programmes where officials and the community will donate children’s fiction books such as fairy tales and folktales. Provincial-based activities will include spelling Bee competitions; digital library day for schools with access to digital libraries; digital reading day where learners will read on their tablets, and cell phones. Educators will use interactive smart boards and data projectors for reading purposes and “reading for leisure”. The department will also provide websites where schools will be able to gain access to the reading materials such as the Nali’bali website. Curriculum officials and library officials will be reporting on these programmes and activities to the provincial coordinators and officials monthly and will be guided on the specific outcomes relating to these reports to ensure quality and to strengthen these processes.

Incremental introduction of African languages (IIAL)

The Incremental Introduction of African Languages has been implemented in 356 schools to date. By end of 2019, the department is targeting to implement the IIAL to a total of 517 schools. In support of the IIAL, the Project Management Team (PMT) has been established in the province. It consists of the officials from curriculum, teacher development, school management, human resources, and research and knowledge management directorates. The PMT will continue to collaborate with various stakeholders that have expertise and interest in reading in the coordination of the IIAL implementation.

In implementing the strategy, the province will continue to engage and support schools and SGBs in choosing of languages to be implemented, providing Grade 1 top-up materials and Grade 2 toolkits, the filling of posts and provision of versioned material. This will assist the department to eliminate the challenges faced when implementing the IIAL.

Standardised Tests:

Grades 3, 6 and 9 have displayed consistent and outstanding performance and provided an overall high quality of schooling since 2014. To further improve learner test scores for school-based assessments (SBA) for Language and Mathematics in grades 3, 6 and 9, the following targets have been set for the 2019 academic year:

- Improve learner performance in Grade 3 to 74 per cent of Grade 3 learners achieving > 50 per cent in Literacy and 76 per cent of Grade 3 learners achieving > 50 per cent in Numeracy;
- Improve learner performance in Grade 6 to 82 per cent of learners achieving >50 per cent in Language and 57 per cent of learners achieving >50 per cent in Mathematics; and
- Improve learner performance in Grade 9 to 53 per cent of learners achieving >50 per cent in Language and 25 per cent achieving >50 per cent in Mathematics.

Mathematics Intervention

The department will continue with the roll-out of the grades 8 and 9 Mathematics Strategy in 454 secondary schools across the province. Grade 8 and 9 educators will be trained on content knowledge and assessment practices to improve the quality

of teaching and learning. School Management Teams (SMTs) will also be capacitated in 1 050 schools, targeting 4 200 SMTs members with an intention to complete module 3 training by 2019.

The department will resource all the 454 schools implementing the Mathematics Strategy by providing maths kits, lesson plans and DVDs for the schools to enhance teaching and learning.

Improve the pass rate and quality of matric results

The department will review the effectiveness and efficiency of continuing to fund the curriculum interventions. However, to improve matric results in 2019 the department will allocate resources to implement the following intervention programmes:

Secondary School Improvement Programme: Grade 10 – 12:

The department is committed to improving the quality of curriculum delivery and learner performance by providing additional support to Grade 12 learners across the province through the SSIP. The department will identify learners who are at risk, based on their academic performance. These learners will be provided with intensive support during the year. The SSIP Model for 2019 will focus on the following sub-programmes: Saturday programme, which will include Matric 2019; Second Chance; Supplementary and Multiple Exam Opportunities (MEO) Programme. The holiday programme will include Walk-in and residential camps, namely; camps for progressed learners, Maths, Physics and Geography camps, Camp for High Flyers and Moderate learners as well as Matric exams preparatory camp. The Saturday programme will focus on critical subjects identified through results analysis, which include Mathematics; Technical Maths, Maths Lit; Physical Science; Technical Science; Life Science; Accounting; Geography and Business Studies.

Decentralised District and School Programme:

Districts and schools will be responsible for implementing their own intervention programmes based on the Academic Performance Improvement Plan (APIP) and School Improvement Plan (SIP). The School Improvement Plan (SIP) will outline the responsibilities per intervention activity. Each school will be required to report on the intervention activities. The district will continue to give support where schools do not have the capacity or expertise.

The implementation of the curriculum management framework and whole school improvement will be intensified. A customised support programme that addresses the needs of districts and schools will be introduced.

NSC examinations:

The department will continue to improve the administration of the National Senior Certificate (NSC) examinations by enhancing the online registration for candidates; the automation of certification functions such as online application for certificates and online processing of applications; item banking; digitalisation of question papers; electronic records management and online assessment.

The department aims to improve the matric pass rate for Gauteng in line with the national mandate of 90 per cent of candidates passing the National Senior Certificate by 2019 and improve the quality of the pass rate by focusing on increasing the proportion of bachelor passes to 44 per cent of learners writing the NSC examinations. It also aims to increase the number of Grade 12 learners registered to write Science to 42 000, decrease the per cent pass rate between no fee and fee- paying schools to 70 per cent, increase the number of learners including female learners who pass Mathematics and Physical science in the NSC examinations to 70 per cent and 75 per cent respectively and consistently improve the learner performance to ensure 85 per cent of the female learners pass the NSC examination.

Pillar 2: Teacher development and support

The key objective under this pillar is to promote teachers' professional development while ensuring that the best teachers are attracted to Gauteng to improve teaching and learning outcomes. A total of 11 000 teachers will be trained focusing on technical subjects, science, ICT, curriculum content and assessment, language content and methodology and mathematics content and methodology.

The teacher development and support initiative will form part of the Whole School Improvement Initiative (WSI). The Teacher Development Steering Committee will be providing the strategic direction, management, oversight and coordination of all teacher development activities.

Pillar 3: Leadership and management

The department will continue enhancing the district model and strive to have fully functional virtual districts that will effectively support schools and teacher training for curriculum delivery. The model will be intensified in 2019 to give direct support to school management. As part of achieving quality education in the province, the department will train school

leaders to ensure that they are accountable, competent, service delivery orientated and lead with integrity. A total of 150 district officials will be trained in the 2019/20 financial year.

In 2019/20 the department will continue promoting a robust, progressive role for SGBs that is in line with their mandate and obligations as per SASA. This will be achieved through a range of interventions including dedicated technical support and training in areas like school finances and curriculum management.

Goal 2: Provide administrative service that supports modern and innovative schools

Pillar 4: Infrastructure development and maintenance

Improve conditions at schools by focusing on functionality of schools

The department - through the vigilant oversight of Chapter 9 institutions like the Human Rights Commission, civil society organisations like Equal Education and the Legislature Portfolio Committees for Education and for Infrastructure - has identified infrastructure trouble spots that the department will strive to overcome.

The department plans to replace 29 asbestos schools of which 17 asbestos schools are planned to be completed by the end of the 2019/20 financial year. In line with the norms and standards the department will improve and accelerate infrastructure delivery by replacing 84 mobile schools, upgrading water provisioning at 513 schools, upgrading electricity supply at 210 schools and upgrading sanitation provisioning at 726 schools. The unblocking and resourcing of infrastructure projects will be implemented in conjunction with the Gauteng Provincial Treasury and Premier's office.

The ten new Alternative Construction Technology (ACT) schools that were to enter the construction stage during the current (2018/19) financial year, but were delayed due to budgetary constraints, will be completed by 2019/20. The department will also address both the backlogs as well as growing demand for infrastructure through construction of new schools and classrooms, provision of additional specialist rooms (laboratories, libraries), supply of Grade R classrooms and school maintenance in township schools.

Pillar 5: Planning, financing and resourcing

This pillar assists the department to enhance its strategic and operational planning, governance, financial management and human resource processes towards clean governance. 80 per cent of funds will be allocated to support schools in 2019/20.

Strategic and operational planning

The department will facilitate and coordinate the departmental strategic processes to ensure alignment between statutory mandates, plans, budgets and resource utilisation.

Financial management

To improve the effectiveness and efficiency of the department's administrative systems in line with the provincial focus on clean governance, the financial branch will continue to improve internal controls, procurement practices and strengthen risk management by facilitating the prudent spending of state finances and ensuring that expenditure is according to spending plans and cash flow requirements.

Human Resource Management (HRM)

The key directive of HRM for the 2019/20 financial year is to achieve an unqualified audit opinion by ensuring that all transactions are standardised, quality assured and concluded within the prescribed 30-day timeframe. The key to managing human resource matters and ensuring effective and efficient operation includes managing HR records and transactions and promoting transformation and good governance. School principals will be trained on the department's leave policy. The School Liaison Clerks (SLC) will be trained on SA-SAMS and PERSAL. The aim of the training is to improve the capturing of leave forms and to ensure that all leave forms are captured accurately within 30 days. The department will mediate Policy and Procedure on Incapacity Leave and Ill-health Retirement (PILIR) across the province.

Pillar 6: ICT in Education

Ensure e-learning capabilities are available in GPG classrooms

The department will progressively continue to roll-out ICT in Grade 11 and 12 classrooms with special emphasis on township schools. To achieve the ultimate vision of a paperless classroom, the department will strengthen its partnership with the Gauteng Department of e-Government to provide access to broadband to 2 200 schools through the Gauteng Broadband Network. Educators in targeted schools will be provided with laptops and e-boards will be provided in the classrooms. The implementation of the ICT and e-learning programme in identified schools and grades will greatly enhance teaching and

learning in schools. This initiative will continue to transform the township schools into functional, ICT- enabled learning spaces.

A total of 3 300 classrooms in 377 no-fee paying secondary schools between grades 11 and 12 will be equipped with e-learning infrastructure over the 2019 MTEF. A total of approximately 230 000 e-learning devices will be distributed to learners by 2019. This will result in an increase of usage rates of e-learning content in no-fee schools by 80 per cent in 2019. Furthermore, the department will provide connectivity on wide area network (WAN), local area network (LAN) and access point name (APN) as well as to provide static and non-static content including e-books and multimedia content. To protect the educational IT devices distributed to schools, measures such as physical and electronic security as well as tracking, recovery and mobile device management (MDM) will be implemented.

Impact on Learners:

The use of technology will enhance teaching quality by giving learners access to digital content in the form of e-books and interactive multimedia digital content which is supported by audio and 2 and 3D animations. The connectivity in the classrooms will promote and enhance the project-based learning and enable collaborative learning among learners and between learners and their teachers, thereby facilitating continuous feedback in classrooms.

Impact on Educator's teaching Practices:

The use of ICT will support teachers in planning their lessons and assessment activities on laptops that are fully equipped with access to a variety of digital resources, including lesson plans, e-books, multimedia digital content and assessment banks. The lessons will be presented digitally through Interactive LED Boards. The GDE e-Content Platform will be implemented, which will provide a central reporting and collaborative platform for educators to co-create content, share experiences and collaborate around the use of education resources.

The department will further develop teachers and learners in ICT schools by establishing training teams from 300 schools that will manage e-learning at their respective schools. This will help to bring these selected schools closer to achieving the vision of "schools of the future". An intensive SMT training programme will be developed to orientate and train teachers/managers on the integrated use of technology to improve curriculum delivery in the classroom.

Goal 3: Transform public schooling by addressing barriers to access, equity and redress

Pillar 7: Social cohesion

Improving school nutrition

The department provide nutrition to 1 399 no-fee paying public schools. In the 2019/20 financial year, the department will provide nutritious meals to approximately R1.4 million learners in all no-fee and selected fee-paying public schools. The department will continue to work with the Gauteng Department of Agriculture and Rural Development to maintain and sustain food gardens at schools.

Increasing access to schooling

The department will retain 1 399 no fee public schools that are currently in existence.

Scholar transport

The pro-poor policies have made it possible for approximately 124 752 learners to have access to scholar transport from 429 schools in the Province.

There is a need to include Learners with Special Education Needs (LSEN) schools on the programme. A total of 18 496 learners' in 100 LSEN schools across the 15 districts will be transported in 2019. The agreement between the department and the Gauteng Department of Roads and Transport will be enforced to monitor roadworthiness of the vehicles transporting learners.

School safety programme

School safety remains one of the department's main concerns. The safety of all learners, teachers and support staff on the school premises remains the department's priority. The department will be employing a total of 4 864 patrollers to assist in creating a safe and secure school environment. The collaborative agreement with the Gauteng Department of Community Safety, South African Police Service (SAPS) and Gauteng Department of Social Development will continue. The department will continue to encourage the search and seizure operations of unlicensed liquor outlets and shebeens that are located close to schools.

School sports

The department will continue with the Wednesday sports programme in 1 399 no-fee schools, develop school Sport League Calendar with fixtures, and introduce life skills in each Grade. This programme will include athletics, swimming, winter and summer sport codes and cross-country. The department will also focus on sporting codes in special schools. LSEN school

sports will include athletics, football and sporting programmes for the physically impaired, blind, deaf and intellectually impaired learners.

School Health

The School Health programme will be established to promote the Healthy Wednesday practice in priority schools, which will ensure learners have access to medical care.

Learners with special education needs

The department will expand inclusion services to township schools and turning around special education in the Province with a special focus on autism. The department will also continue with the cluster model of grouping approximately 10 schools to be supported by Full Service Schools. Special Schools as Resource Centres are each growing into their niche contributions organised mostly in terms of their in-house skills, expertise, resources and supporting stakeholders. These niche areas relate to for example: early identification, school to work transitioning, support to Full Service Schools, Curriculum Differentiation, visual impairment, hearing impairment, neuro-related challenges such as cerebral palsy, specific learning disabilities and autism as well as physical disabilities. These schools actively reach out to communities to share information and best practice. Special schools cover a wide spectrum from autism centres to centres for children with severe intellectual disabilities. Eighteen additional special schools across the Province are now providing access to learners with special needs.

The department is consolidating the curriculum delivery programmes in special schools that were established. The number of full service schools will be increased from 30 to 35 in 2019 with more schools being prepared for full designation in future years. To allow access to Learners with Special Needs, the curriculum offerings and support programmes are increasingly decentralised closer to their homes. The full-service schools and special schools serving as Resource Centres will be utilised by School-Based Support Teams and District-Based Support Teams to screen all learners in terms of the Screening, Identification, Assessment and Support (SIAS) policy. As an additional redress measure, access to resourcing and capacity building and re-skilling will also occur. This will include the implementation of the vocational stream with 26 new subjects to be implemented in Schools of Skills.

The department is continuing the General Certificate in Education: Technical Occupation in 17 schools with more special schools participating in all training and professional learning communities to fully participate in the curriculum.

The implementation of the conditional grant for Learners with Severe to Profound Intellectual Disabilities continues, with a current core team of 31 professionals comprising educational psychologists, physiotherapists, occupational therapist, speech therapists and education specialists. The teams are already reaching 1 700 learners in Special Care Centres, also supporting special schools that have introduced this learning programme. The capacity building of Care workers, parents, Special Care Centre management is prioritised to ensure successful implementation of the learning programme.

Re-Organisation of Schools (ROS)

The department's Reorganisation of Schools (ROS) programme seeks to operationalise the department's 10 Pillar Strategy through five change levers which are public schools, twinning, schools of specialisation, optimal utilisation of resources and head office and district support.

These are designed to turn around Gauteng schools and to create a cohesive schooling system. Of the five change levers that make up the ROS, Lever 1: Public schooling is at the heart of delivering quality education for all Gauteng learners. This lever will be the main driver to improve performance across the public schooling system in Gauteng through the realisation of sustainable high impact, high-performance learning, teaching and schooling.

The Twinning programme

The department will continue with the roll-out of the twinning programme across the Province in the 2019/20 financial year. The pairing of schools will promote the sharing of infrastructural resources and facilities, as well as cross-cultural and management exposure. District officials will be trained to capacitate all Section 17 Governing Bodies. All schools that will be approved for the Twinning Programme will be gazetted.

School Feeder Zones

To promote non-racial schooling in Gauteng, 2 207 public schools will prioritise the admission of learners taking into consideration learners who live close or whose parents work close to that school. Executing the Constitutional Court's instruction, the department is implementing its feeder zone policy ensuring that access to schools are fair, transparent and conducted in an equitable manner. This process will be prioritized in consultation with all education stakeholders.

Whole School Improvement (WSI)

The Whole School Improvement processes (Change Lever 1) covers the functionality of schools and related learner performance comprehensively. The strategy is aimed at strengthening the monitoring, reporting and accountability processes at all levels and enabling districts to provide direct support to schools with a view to improve learner performance. All Gauteng schools (2 207) will be categorised annually based on their performance across a set of variables. The districts will be required to ensure progressively that all schools are profiled by 2020 with a special focus on the 445 township schools. The detailed focus for re-profiling per term will be based on the 445 schools.

Of the 70 pilot schools sourced from ICT, Twinned schools, Schools of Specialisation, Under-performing schools from the Ekurhuleni, Tshwane and Johannesburg Regions, the projected change in performance by 2020 will be categorised as follows: 19 (27 per cent) of poor schools into the fair category, 25 (35.7 per cent) of fair schools into the good category and 18 (25.7 per cent) of good schools into the great category. To achieve this, the Department will intensify the advocacy and training of District Management Teams and support the profiling and re-profiling of schools.

Establishing Schools of Specialisation (SOS) to strengthen our skills base

The SOS seeks to nurture the development of top talented learners across a subset of disciplines and to breed South Africa's future generation of leaders. The SOS will ensure access to top academic performers that show aptitude in a chosen field. In addition, learners will undergo standardised tests, interviews, auditions (where relevant) and write an entry essay ahead of their admission to the specialised school.

The department has planned 29 SOS to be phased-in over a 4-year period (2016 – 2019) which will strengthen curriculum design, career pathing and articulation, including certification for short skills for instant coding. The location and specialisation of the schools are located across five development of corridors across Gauteng. The 14 Schools of Specialisation will be established across 5 disciplines which include, these corridors Financial and services, Agro-processing, tourism, logistics Tourism and entertainment, Automotive and Manufacturing, transport (aeronautics) and logistics.

P-Tech Model

The Tech Model Programme will be launched at Curtis Nkondo Unity and will allow learners to start a tertiary qualification while they are still at school. This will be implemented in collaboration with Institute of Business Management (IBM).

Pillar 8: School functionality including community involvement

Parental support

In making education a societal priority, the department will ensure stakeholder involvement in schools in a manner that assists with attaining the core outcomes. It will mobilise civil society, faith-based organisations and the private sector to support the inputs and outcomes of a quality education system and will urge young learners to participate actively in school programmes to change their attitudes and commit to schoolwork. A total number of 60 000 parents will be trained and all SGB members.

Pillar 9: Skills development

Facilitate transition to post school opportunities

More than 1 million youth in Gauteng are currently unemployed. It is therefore critical for the Province to provide economic opportunities for the youth. The Master Skill Plan 2 has been developed to respond to the skills needs of the Province while generally considering the economic realities of South Africa and those of the Province.

The Gauteng City Region Academy, with the support of the Gauteng Department of Education plans to train, develop and empower the youth contributing to Tshepo 1 million by increasing the number of skills development opportunities for the youth. The following key programmes contributing to Tshepo 1 million to empower youth in the GCR will be implemented such as:

- Increasing the bursaries offered to 4 121 learners per annum;
- Increase value of private sector and SETA funding to between 3-5 per cent;
- Increase a value of bursary beneficiaries who graduate to between 5-10 per cent
- Increase learnerships /apprenticeships and Internships per annum to 3 935;
- Increase experiential learning opportunities to 2 272; and
- 20 000 Harry Gwala intake in support of Tshepo 1 Million through skills (figure includes Teacher Centres and the Harry Gwala Technical Centres)

The department will increase the number of skills development opportunities for youth by coordinating 19 236 public sector training opportunities with other departments and municipalities for government-wide intervention. The K53 model will be reviewed and implemented to benefit all Grade 11 learners.

Pillar 10: Access to quality Early Child Development

Universalisation of Grade R

The department will continue to strive towards Universalisation of Grade R in accordance with National Norms and Standards for Grade R funding. The access to ECD in the Province is currently at 95 per cent and this is fast approaching the universal access target. The department will increase the number of Grade R enrolment to 150 000 by 2019.

The department will be expanding Grade R to all public schools to ensure that all learners entering the schooling system have participated in ECD regardless of their socio-economic status. Registration of new Grade R sites will continue, private Grade R sites will be registered through the introduction of Provincial regulations. This is being done to ensure that there is an adequate mix of public, private and community-based Grade R sites.

The department will continue to provide the CAPS curriculum; improving teaching and learning methodologies appropriate for Grade R and incorporating some aspects of the Reggio Emilia Child Approach as a didactical approach with the National Curriculum Framework. Furthermore, it will strengthen standardised assessment practices and testing of Grade R learners with learning difficulties to identify barriers such as dyslexia and psycho-motor disorders as well as providing simple assistive devices. The department will further provide Home Language Multimedia Readers to cater for various home languages.

Practitioner training

The department will continue to provide capacity building of Grade R practitioners on curriculum coverage and standardised assessment practices. A total of 900 Grade R practitioners will be identified for training to improve the quality of teaching and learning in the classroom.

Early identification programme

The department will endeavour to test 64 000 Grade R learners to identify barriers, such as dyslexia and psycho-motor disorders, and provide simple assistive devices.

Grade R in community centres

The department will work with the Gauteng Department of Social Development (GDSD) and municipalities to identify targeted private Grade R centres registered with GDSD and local government and provide them with curriculum support and training. The department will put in place a process and criteria for funding of only targeted Community Based Sites (CBS).

4. REPRIORITISATION

The department scaled down the training of Extra School Support Programme (ESSP) practitioners and parents. As a result, a net amount of R19.3 million in 2019/20 and R77.6 million over the 2019 MTEF is re-prioritised from the Examination and Education Related Services Programme to address a budget shortfall relating to payments to SETA levies, training and stipends paid to interns within the administration programme. An amount of R76.3 million over the 2019 MTEF is re-prioritised from e-learning activities for the procurement of ICT devices.

The department is required to audit independent schools as per the norms and standards for school funding. As a result, R20 million in 2019/20 and R31 million over the MTEF is re-prioritised from transfers to goods and services to make provision for the audit of independent schools. Three "Schools of Specialisation" were reclassified from public ordinary schools to public special schools. As a result, R4.8 million is re-prioritised in 2019/20 and R15.2 million over the MTEF. Furthermore, the budget allocated to transfers to related parties is re-classified from transfers to non-profit institutions to goods and services in line with the National Treasury Classification circular 21 of 2018.

5. PROCUREMENT

The department will continue in the financial year 2019/20 to develop and implement procurement plans to improve its SCM processes and ensure that the procurement needs are in line with the available budget and the pillars underpinning the department's strategy. The major procurement to be undertaken include the appointment of service providers for the printing, packaging and distribution of national senior certificates, preparatory exams, provincial examination, common examination, ABET Level 4 question papers and other examination and assessment related materials.

The department will continue to support local suppliers in support of the Township Economic Revitalisation Strategy, which focuses on the support of small medium and micro enterprises. Business opportunity conferences will be held to ensure that service providers are empowered with information about how to access opportunities presented by the department, how

and where to get funding and how to ensure that their tax requisites and related matters are in order. Designated sectors and compliance with local content will be publicised.

The department has contracted service providers for the major core services such as school maintenance, LTSM, e-learning solutions, school furniture, school nutrition and learner transport.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 5.1: SUMMARY OF RECEIPTS: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	34 649 970	37 292 555	39 319 518	42 913 686	43 389 080	43 389 080	47 355 479	50 400 737	54 924 695
Conditional grants	2 202 701	2 216 095	2 352 322	2 306 854	2 322 826	2 322 826	2 454 072	2 468 010	2 635 812
Education Infrastructure Grant	1 349 744	1 385 737	1 468 146	1 373 073	1 373 073	1 373 073	1 474 715	1 440 169	1 551 501
Hiv And Aids (Life Skills Education) Grant	29 945	32 449	34 436	35 959	35 959	35 959	37 907	39 869	42 062
National School Nutrition Programme Grant	678 974	717 299	773 510	807 454	839 398	839 398	849 075	895 774	945 042
Maths, Science And Technology Grant	47 842	49 810	51 270	53 062	53 062	53 062	56 042	58 483	61 638
Occupation Specific Dispensation For Education Sector Therapists Grant	49 003								
Learners With Profound Intellectual Disabilities Grant			12 632	26 451	26 451	26 451	31 259	33 715	35 569
Expanded Public Works Programme Incentive Grant For Provinces	2 409	2 139	2 537	2 480	2 480	2 480	2 089		
Social Sector Expanded Public Works Programme Integrated Grant For Provinces	44 748	28 661	9 791	8 375	8 375	8 375	2 985		
Total receipts	36 852 671	39 508 650	41 671 840	45 220 540	45 711 906	45 711 906	49 809 551	52 868 747	57 560 507

The department receives funds from both the national and provincial revenue funds in the form of equitable shares and conditional grants. The department will receive a total amount of R47.4 billion for the 2019/20 financial year as equitable shares and a total amount of R2.5 billion as conditional grants. The equitable share allocation accounts for 95 per cent and the conditional grants 5 per cent of the total budget of R49.8 billion in the 2019/20 financial year.

The total budget grows by 10.2 per cent from a main appropriation of R45.2 billion in 2018/19 to R49.8 billion in 2019/20, a rand value increase of R4.6 billion. This is attributable to an increase in the budget allocated to personnel, scholar transport, school nutrition, school furniture, inclusive education, independent schools and scholar transport for special schools.

The total receipts of the department grows by 15.6 per cent over the 2019 MTEF, which is equivalent to a rand value of R7.8 billion. The increase is in response to the growth in the number of learners, which results in an increase in the demand for various resources needed at schools and includes administrative support

6.2 Departmental receipts

TABLE 5.2: SUMMARY OF DEPARTMENTAL RECEIPTS: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Sales of goods and services other than capital assets	24 723	25 815	27 878	27 330	27 330	29 479	28 013	29 554	31 150
Transfers received									
Fines, penalties and forfeits	65	31	110	41	41	227	42	44	46
Interest, dividends and rent on land	263	461	441	197	197	401	202	213	225
Sales of capital assets	19 940		56						
Transactions in financial assets and liabilities	6 417	22 782	9 960	4 403	4 403	7 392	4 513	4 761	5 018
Total departmental receipts	51 408	49 089	38 445	31 971	31 971	37 499	32 770	34 572	36 439

The main source of revenue collection is from examination processes including re-marking and re-checking of Grade 12 scripts and re-issuing of matriculation certificates. Additional funds are collected from administrative fees for the collection of insurance premiums from employees, official housing (rental income) and financial transactions in assets and liabilities relating to the departmental debt account and receivables relating to previous financial year expenditure.

7. PAYMENT SUMMARY

7.1 Key assumptions

The following key assumptions were taken into account when determining the personnel budget for the 2019 MTEF:

- Number of staff and possible addition of personnel over the 2019 MTEF:
- Basic salary costs including condition of service adjustments from 1 April 2019 and projections for the medium term;
- Pension fund contributions, 13th cheque and overtime linked to the basic salary cost;
- Guidelines on the implementation of occupation-specific dispensation and grades and level of each staff member;
- Increased take-up of benefits such as medical aid and housing allowance;
- Contract employees, merit bonuses;
- Appointment of additional educators (growth posts) to accommodate learner growth;
- Medical aid contributions which normally increase more rapidly than inflation, and
- Skills development and technical and vocational skills.

The department aims to maintain at least an 80:20 ratio between personnel to non-personnel costs although an increase in personnel costs is evident. The following key assumptions were considered when determining the budget for the 2019 MTEF to meet the goal of improving the quality of learning:

- Infrastructure development and maintenance of school buildings with the aim of eradicating the backlog of learning space and preventative maintenance projects;
- Transfers and subsidies to institutions and schools;
- Implementation of the National School Nutrition Policy;
- Provision of LTSM, workbooks and lesson plans for learners;
- District development and support;
- Reduction of class size;
- Provision for therapists and social workers to schools to support learners; and
- Implementation and maintenance of intervention strategies such as mainstreaming the Gauteng Primary Language and Mathematics Strategy, Secondary School Improvement Programme, Teacher Development Strategy and Extra School Support Programme.

7.2 Programme summary

TABLE 5.3: SUMMARY OF PAYMENTS AND ESTIMATES: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	2 637 966	2 738 638	2 952 584	3 299 894	3 437 212	3 437 212	3 838 461	4 212 959	4 893 208
2. Public Ordinary School Education	26 405 175	29 123 576	31 606 560	34 491 846	34 817 754	34 820 754	37 327 531	39 895 051	42 641 630
3. Independent School Subsidies	592 600	635 368	690 007	731 752	731 752	736 252	854 194	901 175	949 923
4. Public Special School Education	1 968 339	2 187 256	2 411 029	2 687 577	2 807 577	2 807 577	3 467 614	3 823 528	4 614 627
5. Early Childhood Development	705 735	663 783	673 411	809 855	809 855	809 855	856 825	903 950	957 775
6. Infrastructure Development	2 796 043	2 850 928	1 976 660	1 696 137	1 696 137	1 696 137	1 949 536	1 536 398	1 809 507
7. Examination And Education Related Services	1 190 664	1 210 377	1 104 054	1 503 479	1 411 619	1 404 119	1 515 390	1 595 686	1 693 837
Total payments and estimates	36 296 522	39 409 926	41 414 305	45 220 540	45 711 906	45 711 906	49 809 551	52 868 747	57 560 507

7.3 Summary of economic classification

TABLE 5.4: SUMMARY OF ECONOMIC CLASSIFICATION: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	30 126 478	32 793 641	35 996 155	39 224 970	40 176 141	40 239 969	43 646 932	46 870 183	51 068 678
Compensation of employees	25 981 867	28 660 401	31 428 370	33 738 301	34 138 539	34 129 621	37 372 099	40 232 200	44 019 887
Goods and services	4 143 950	4 129 754	4 567 535	5 486 669	6 037 585	6 110 283	6 274 833	6 637 983	7 048 791
Interest and rent on land	661	3 486	250		17	65			
Transfers and subsidies to:	4 007 867	4 056 193	3 609 279	4 435 175	3 952 278	3 968 161	4 291 669	4 548 435	4 798 800
Departmental agencies and accounts	75 345	79 350	84 639	95 072	95 317	95 317	105 143	113 229	123 902
Non-profit institutions	3 571 656	3 546 626	3 147 101	3 952 419	3 434 775	3 442 275	3 776 357	4 002 478	4 218 803
Households	360 866	430 217	377 539	387 684	422 186	430 569	410 169	432 728	456 095
Payments for capital assets	2 150 749	2 548 995	1 787 082	1 560 395	1 583 487	1 499 920	1 870 950	1 450 129	1 693 029
Buildings and other fixed structures	2 067 452	2 407 325	1 674 332	1 392 059	1 372 257	1 288 690	1 686 472	1 253 595	1 483 849
Machinery and equipment	73 135	114 755	98 544	151 104	174 196	174 196	178 610	188 619	198 804
Land and sub-soil assets	9 499	23 210	14 206	17 182	36 984	36 984	5 868	7 915	10 376
Software and other intangible assets	663	3 705		50	50	50			
Payments for financial assets	11 428	11 097	21 789			3 856			
Total economic classification	36 296 522	39 409 926	41 414 305	45 220 540	45 711 906	45 711 906	49 809 551	52 868 747	57 560 507

The total budget for the 2019/20 financial year amounts to R49.8 billion. The budget increases by 10.2 per cent from the main allocation of R45.2 billion in 2018/19 due to additional funding for priorities and inflationary-related growth. The largest portion of the budget is allocated to Programme 2: Public Ordinary Schools Education, which takes up 75 per cent of the total budget. This budget growth is informed by expansion of the education sector caused by the ongoing migration of learners to the province so necessitating the opening of new schools and the employment of more educators.

Compensation of employees accounts for 75 per cent of the total budget. In 2019/20, an amount of R37.4 billion is allocated to personnel which increases by R3.6 billion from the main appropriation of R33.7 billion in the 2018/19 financial year. This budget increase is primarily to provide for improvement in conditions of service and the recruitment of additional educators and support staff in response to an increase in the number of learners.

In the 2019/20 financial year, the budget allocated to goods and services increases by 14.4 per cent, from a main budget of R5.5 billion in 2018/19 to R6.3 billion in 2019/20 financial year. The increase is mainly due to the re-classification of budget in line with Classification Circular 21 of 2018. The key cost drivers contributing to the goods and services budget include the provision of school nutrition, municipal services, school furniture, scholar transport, property maintenance and inclusive education.

The total budget allocated to transfers and subsidies decreases from R4.4 billion in 2018/19 to R4.3 billion in 2019/20 which translates into a decrease of 3.2 per cent due to reclassification of budget in line with Classification Circular 21 of 2018. This budget caters for transfers to schools in accordance with the norms and standards for school funding and the provision of bursaries to top achieving learners in the province.

The budget for the item payments for capital assets increases by 19.9 per cent or R310.6 million from R1.6 billion in 2018/19 to R1.9 billion in the 2019/20 financial year. These funds are allocated to infrastructure development, which includes the building of additional classrooms, the refurbishment and upgrading of schools, the provision of ICT compliant infrastructure to cater for e-learning and the creation of learning space for Grade R learners.

7.4 Infrastructure payments

7.4.1 Departmental Infrastructure Payment

For information on Infrastructure, refer to the 2019 Estimate of Capital Expenditure (ECE).

7.4.2 Departmental Public-Private-Partnership (PPP) Projects

Not Applicable

7.5 Transfers

7.5.1 Transfers to public entities

Not Applicable

7.5.2 Transfers to other entities

TABLE 5.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Public Ordinary Schools	1 570 153	1 961 872	1 910 583	1 995 129	2 045 056	2 048 056	2 115 039	2 233 962	2 354 597
Sci-Bono Discovery Centre	642 008	221 468	19 546	242 615	20 677	20 677	21 873	23 076	24 322
Matthew Goniwe School of Leadership and Governance	248 358	243 918	8 492	351 064	8 985	8 985	9 506	10 029	10 571
Independent Schools	592 600	635 368	685 362	731 752	731 752	736 252	834 194	895 900	944 363
Special Schools	323 646	316 960	362 627	448 234	475 906	475 906	621 070	655 229	690 717
University of the Witwatersrand (Examinations)	11 524	8 763	9 651	10 719					
Households Social Benefits	144 356	194 407	191 938	125 813	125 813	133 905	133 109	140 430	148 013
Households Other Transfers GCRA Bursaries to learners)	216 502	235 810	185 601	261 871	296 373	296 664	277 060	292 298	308 082
Seta	75 345	79 350	84 639	95 072	95 317	95 317	105 143	113 229	123 902
Abet Centres									
Grade R Sites/ Centers	144 775	144 394	150 840	165 099	152 399	152 399	174 675	184 282	194 233
Gauteng Education Development Trust				5 807					
FET Colleges	38 600	13 883		2 000					
Total departmental transfers	4 007 867	4 056 193	3 609 279	4 435 175	3 952 278	3 968 161	4 291 669	4 548 435	4 798 800

The total transfers to other entities/institutions decreases by R143 million from R4.4 billion in 2018/19 to R4.2 billion in the 2019/20 financial year.

Public ordinary schools will receive R2.1 billion in 2019/20 which is earmarked for municipal services, LTSM, school nutrition and other social upliftment programmes in schools.

Transfers to independent schools amounts to R834 million in 2019/20, growing by 14 per cent from the 2018/19 main allocation of R731 million due to the additional funding allocated to address budget shortfalls. The amounts payable in the form of subsidies/transfers to independent schools are directly linked to the per capita allocations of public ordinary schools. Special schools will receive R621 million in the 2019/20 financial year, which increases by R130 million from the main budget of R448 million in the 2018/19 due to the additional funding allocated for scholar transport provided to learners with special education needs. Grade R sites/centres will receive a budgeted transfer of R174.7 million in the 2019/20 financial year to fund Grade R in public ordinary schools and in community centres.

The total budget or a portion of it previously allocated to be transferred to Matthew Goniwe School of Governance, the Sci-Bono Discovery Centre, the University of Witwatersrand and the Gauteng Education Development Trust is re-classified as goods and services in line with Classification Circular 21 of 2018. This has resulted in either a decline in the budgeted transfer to these institutions or a zero transfer over the 2019 MTEF.

The transfers of R21.8 million to Sci-Bono Discovery Centre and R9.5 million to Matthew Goniwe School of Leadership and Governance in the 2019/20 financial year is to fund the operational expenditure of these institutions. The Gauteng City Region Academy (GCRA) is allocated R277 million in the 2019/20 financial year to provide bursaries to the top-performing learners from no-fee schools. Other transfers will be made to the SETA for skills development levies and social benefits payable to employees who exit the public education sector either through retirement or resignation.

7.5.3 Transfers to local government

Not Applicable

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme objectives:

- To provide for the functioning of the office of the MEC for Education;
- To provide management services which are not education specific for the education system;
- To provide education management services for the education system;
- To provide HR development for office-based staff;
- To provide an education management information system in accordance with the national education; and
- Information Policy.

Key policies, priorities and outputs

- The department will focus on the following targets and interventions to ensure that the set goals are met:
- It will improve its human resources functions by accelerating its recruitment and appointment processes to ensure transparency and accountability of personnel.
- It will deepen support to school management by head office and district offices by introducing the notion of virtual districts.
- It will ensure the production of education information through the collection of data/information and timeous completion and submission of the Annual Performance Plan.

TABLE 5.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The Mec	6 896	3 487	5 573	4 698	4 698	4 698	4 970	5 243	5 527
2. Corporate Services	1 607 504	1 633 411	1 782 001	1 978 136	2 086 449	2 086 449	2 236 047	2 480 439	2 837 076
3. Education Management	991 564	1 075 572	1 147 703	1 251 228	1 282 707	1 282 707	1 509 740	1 628 978	1 920 153
4. Human Resource Development	15 488	14 801	14 212	43 931	41 560	41 560	64 533	73 853	104 686
5. Edu Management Information System (Emis)	16 514	11 367	3 095	21 901	21 798	21 798	23 171	24 446	25 766
6. Conditional Grants									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Total payments and estimates	2 637 966	2 738 638	2 952 584	3 299 894	3 437 212	3 437 212	3 838 461	4 212 959	4 893 208

TABLE 5.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	2 599 090	2 682 822	2 921 882	3 260 452	3 399 354	3 390 898	3 789 144	4 160 930	4 838 370
Compensation of employees	1 991 320	2 141 736	2 389 651	2 597 690	2 645 690	2 641 090	3 096 897	3 426 759	4 053 114
Goods and services	607 167	541 001	531 981	662 762	753 664	749 760	692 247	734 171	785 256
Interest and rent on land	603	85	250			48			
Transfers and subsidies to:	13 749	19 686	11 338	5 834	5 834	10 434	6 171	6 510	6 861
Departmental agencies and accounts									
Non-profit institutions		3 549							
Households	13 749	16 137	11 338	5 834	5 834	10 434	6 171	6 510	6 861
Payments for capital assets	13 699	25 033	19 316	33 608	32 024	32 024	43 146	45 519	47 977
Buildings and other fixed structures									
Machinery and equipment	13 186	21 328	19 316	33 558	31 974	31 974	43 146	45 519	47 977
Software and other intangible assets	513	3 705		50	50	50			
Payments for financial assets	11 428	11 097	48			3 856			
Total economic classification	2 637 966	2 738 638	2 952 584	3 299 894	3 437 212	3 437 212	3 838 461	4 212 959	4 893 208

The budget allocated to Programme 1: Administration for the 2019/20 financial year amounts to R3.8 billion, an increase of R538 million or 16.3 per cent from the 2018/19 main appropriation of R3.3 billion.

Compensation of employees for the 2019/20 financial year increases by R499 million to R3.1 billion due to improvement in conditions of service and the filling of critical posts. The increase in the goods and services budget over the 2019 MTEF is mainly related to price inflation.

The Office of the MEC receives an allocation for administrative costs only and the budget increases from R4.7 million in 2018/19 to R5 million in 2019/20, an increase of 5.8 per cent. The budget has remained stable over the past years and is largely influenced by the increase in administrative costs and salary increases.

The Sub-Programme: Corporate Services is allocated the largest share of the budget allocated to Programme 1 as this sub-programme manages all the financial, administrative and corporate support services, which are key to the broad management of the department. The budget increases by 13 per cent from the financial year 2018/19 to 2019/20, a rand value increase of R257 million. The increase is due to additional allocation on compensation of employees for filling critical posts.

The Education Management Sub-Programme is allocated the second-largest budget, with an increase of R258 million or 20.7 per cent between the 2018/19 and the 2019/20 financial year. This sub-programme's functions include quality assurance, policy development, monitoring and evaluation, research coordination, education planning and information. The increase is due to additional allocation on compensation of employees for filling critical posts.

The District Administration within the Corporate Services Sub-Programme will receive R75.5 million in the 2019/20 financial year. In support of the intervention strategies for language and mathematics development, the department is allocating R5.2 million to a library information system, which will provide books to learners in schools that do not have libraries. The department's information management systems will receive R23.1 million in the 2019/20 financial year to ensure internet connectivity in schools and to enable schools to utilise the South African School Administration Management System (SA-SAMS) to provide learner data to the national learner tracking system.

SERVICE DELIVERY MEASURES**PROGRAMME 1: ADMINISTRATION**

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
PPM101: Number of public schools that use the South African Schools Administration and Management Systems (SA-SAMs) to electronically provide data	2 206	2 208	2 210	2 212
PPM102: Number of public schools that can be contacted electronically (e-mail)	2 206	2 208	2 210	2 212
PPM103: Percentage of education expenditure going towards non-personnel items	25.3% (11 447 554)	24.7% (11,788,994)	24.5% (12,417,184)	24.5% (13,100,124)
PPM104: Percentage of schools visited at least twice a year by district officials for monitoring and support purposes	95%	95%	95%	95%

PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION**Programme description**

To provide public ordinary education from Grade 1 to 12, in accordance with the South African Schools Act.

Programme objectives

- Provide specific public primary ordinary schools with the resources required for the Grade 1 to 7 phases;
- Provide specific public secondary ordinary schools with resources required for the Grades 8 to 12 levels;
- Provide Departmental services for the professional and other development of educators and non-educators in public ordinary schools;
- Provide additional and Departmentally managed sporting and cultural activities in public ordinary schools; and
- Provide for projects under Programme 2 specified by the Department of Basic Education and funded by conditional grants.

Key policies, priorities and outputs

The Department will focus on the following targets and interventions to ensure that the goals set are met:

- Expansion of the school nutrition programme;
- Expansion of learner educator support material;
- Introduction of CAPS and Intersen Strategy;
- Improved learning in poor communities to urgently address growing class sizes in schools;
- Implementation of no-fee schools;
- Leadership skills and capacity building programmes for managing learning through effective governance and management of schools;
- Implementation of a Province-wide literacy and numeracy programme to improve basic writing, reading and arithmetic. This will include the promotion of the use of mother tongue instruction as an enabler of learner performance;
- Improvement of the quality and competence of teachers in the foundation phase and review of all textbooks and learning support materials utilised in the phase;
- Improvement of the quality of learning in all other grades and in languages, mathematics, science, technology and the economic and management sciences;
- Increase in the role of SGBs and society at large in supporting and monitoring schools and the quality of learning that they provide; and
- Enhancing vocational and technical skills in learners.

TABLE 5.8: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC ORDINARY SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Public Primary Schools	14 644 912	16 098 794	17 856 594	18 790 884	19 115 661	19 118 661	20 398 977	21 818 577	23 346 843
2. Public Secondary Schools	10 862 953	12 087 814	12 772 101	14 596 813	14 588 091	14 588 091	15 765 811	16 850 545	18 001 724
3. Human Resource Development	141 545	149 291	116 852	174 041	170 428	170 428	184 136	194 263	204 754
4. School Sport, Culture And Media Services	436	698	18 823	33 633	31 127	31 127	35 583	37 540	39 567
5. Conditional Grants	755 329	786 979	842 190	896 475	912 447	912 447	943 024	994 126	1 048 742
Total payments and estimates	26 405 175	29 123 576	31 606 560	34 491 846	34 817 754	34 820 754	37 327 531	39 895 051	42 641 630

TABLE 5.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC ORDINARY SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	23 903 070	26 614 474	29 504 301	31 951 287	32 622 813	32 622 522	35 059 567	37 499 569	40 116 792
Compensation of employees	21 618 167	23 848 271	26 181 603	27 966 727	28 249 250	28 248 959	30 449 770	32 609 771	34 955 501
Goods and services	2 284 845	2 762 802	3 322 698	3 984 560	4 373 546	4 373 546	4 609 797	4 889 798	5 161 291
Interest and rent on land	58	3 401			17	17			
Transfers and subsidies to:	2 481 878	2 492 313	2 100 931	2 519 224	2 182 863	2 186 154	2 260 836	2 387 778	2 516 719
Higher education institutions									
Non-profit institutions	2 358 281	2 323 231	1 930 129	2 402 094	2 065 733	2 068 733	2 136 912	2 257 038	2 378 919
Households	123 597	169 082	170 802	117 130	117 130	117 421	123 924	130 740	137 800
Payments for capital assets	20 227	16 789	1 328	21 335	12 078	12 078	7 128	7 704	8 119
Buildings and other fixed structures	119								
Machinery and equipment	20 108	16 789	1 328	21 335	12 078	12 078	7 128	7 704	8 119
Payments for financial assets									
Total economic classification	26 405 175	29 123 576	31 606 560	34 491 846	34 817 754	34 820 754	37 327 531	39 895 051	42 641 630

The Public Ordinary Schools Education Programme receives R37.3 billion in 2019/20, which increases by 8.2 per cent from a 2018/19 main appropriation of R34.5 billion. The programme delivers services to 2 207 public ordinary schools so benefiting approximately 2 161 553 learners.

Compensation of employees is allocated the largest share of the total programme budget at R30.4 billion in 2019/20 accounting for 81.6 per cent of the programme budget. The budget allocated to compensation of employees grows by 8.9 per cent from R28 billion in 2018/19 to R30.4 billion in the 2019/20 financial year. This growth is mainly to cater for improvement in conditions of service and an increase in the number of educators in response to growth in the number of learners.

The goods and services budget increases from R4 billion in the 2018/19 main appropriation to R4.6 billion in 2019/20 which is, an increase of 15.7 per cent or a rand value of R625 million. The increase is due to the re-classification of the budget that was allocated to related parties for ICT devices, the MST intervention, learner achievement, the Secondary School Improvement Programme and teacher development from transfers to non-profit institutions to goods and services in line with Classification Circular 21 of 2018. Overall, the goods and services budget in this programme also provides for municipal

services and the procurement of LTSM for Section 20 schools, scholar transport, school furniture and other administrative support.

The total transfer and subsidies for 2019/20 amounts to R2.3 billion which decreases by 10.3 per cent or R258 million from R2.5 billion in the 2018/19 main appropriation due to the reclassification of budget.

In terms of providing access to schooling, a total of R1 billion is allocated to scholar transport. To improve learning in schools and alleviate poverty, the department allocated R1.2 billion to school nutrition of which R849 million is a conditional grant and R416 million is equitable share. This will feed over one million learners in no-fee schools and in selected fee-paying schools.

The budget allocated to the Sub-Programme: Conditional Grants increases by 5.2 per cent, from R896.5 million in 2018/19 to R943 million in the 2019/20 financial year, which is a rand value increase of R46.5 million. This consists of the Mathematics, Science and Technology Grant, HIV and AIDS Grant and the National School Nutrition Programme conditional grant.

The increase in total expenditure and budget of the programme over the seven-year period under review is informed by expansion in the education sector, increased learner enrolment, opening of new schools, employment of more educators, and the implementation of departmental priorities and the procurement of educational resources.

SERVICE DELIVERY MEASURES

PROGRAMME 2: PUBLIC ORDINARY SCHOOLS

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
PPM201: Number of full service schools servicing learners with learning barriers	30	40	45	50
PPM202: The percentage of children who turned 9 in the previous year and who are currently enrolled in Grade 4 (or a higher grade)	81.7%	81.5%	81.6%	81.7%
PPM203: The percentage of children who turned 12 in the preceding year and who are currently enrolled in Grade 7 (or a higher grade)	74.1%	74.1%	74.2%	74.3%
PPM204: Number of schools provided with multi-media resources	329	275	250	200
PPM205: Learner absenteeism rate	4.1%	5.0%	5.0%	5.0%
PPM 206: Teacher absenteeism rate	3.8%	4.0%	4.0%	4.0%
PPM207: Number of learners in public ordinary schools benefiting from the "No Fee Schools" policy	1 350 035	1 351 535	1 354 535	1 357 535
PPM208: Number of educators trained in Literacy/Language content and methodology	2 386	1 200	2 422	2 446
PPM209: Number of educators trained in Numeracy/Mathematics content and methodology	6 810	2 140	2 151	2 173

PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES

Programme description

To provide independent ordinary education from Grades 1 to 12, in accordance with the South African Schools Act.

Programme objectives

- To support independent schools in accordance with the South African Schools Act;
- To support independent primary schools in Grades 1 to 7; and
- To support independent secondary schools in Grades 8 to 12.

Key policies, priorities and outputs

In achieving the broad outcomes of the programme, the department will:

- Increase its inspection, audit and oversight capacity to ensure that all subsidised schools use state funds to achieve the educational outcomes set out in the curriculum framework;
- Monitor the compliance of all independent schools with the conditions of registration;
- Enforce the regulation of all relocations to new sites by owners of independent schools;
- Process all new applications for registration on time;
- Train all independent schools on CAPS and the writing of standardised tests; and
 - Train and support independent schools in the implementation of assessment policy statements.

TABLE 5.10: SUMMARY OF PAYMENTS AND ESTIMATES: INDEPENDENT SCHOOL SUBSIDIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Primary Phase	330 904	379 908	422 210	436 101	436 101	451 742	509 395	537 412	566 483
2. Secondary Phase	261 696	255 460	267 797	295 651	295 651	284 510	344 799	363 763	383 440
Total payments and estimates	592 600	635 368	690 007	731 752	731 752	736 252	854 194	901 175	949 923

TABLE 5.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INDEPENDENT SCHOOL SUBSIDIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments			4 645				20 000	5 275	5 560
Goods and services			4 645				20 000	5 275	5 560
Transfers and subsidies to:	592 600	635 368	685 362	731 752	731 752	736 252	834 194	895 900	944 363
Non-profit institutions	592 600	635 368	685 362	731 752	731 752	736 252	834 194	895 900	944 363
Payments for capital assets									
Payments for financial assets									
Total economic classification	592 600	635 368	690 007	731 752	731 752	736 252	854 194	901 175	949 923

The budget allocated to transfers to non-profit institutions is for subsidies paid to independent schools which increases by R102.4 million or 14 per cent from R731.8 million in 2018/19 to R834.2 million in the 2019/20 financial year. The increase in the Provincial Average Estimate of Expenditure per Learner (PAEPL) for independent schools is informed by the increase in subsidies paid to public ordinary schools. This has resulted in a need to increase the subsidies paid to independent schools to comply with the norms and standards on public ordinary schools funding. In this regard, the programme is allocated an additional budget of R80 million in 2019/20, and R253.4 million over the 2019 MTEF.

The department subsidises a total of 224 independent schools. Subsidies to primary and secondary schools are split: R509.4 million and R344.8 million to primary and secondary schools respectively. The independent school sector that is subsidised has grown significantly as a result of the growth in the number of schools that meet the qualifying requirements for registration with the department.

The item goods and services is allocated R20 million in 2019/20 which decreases to R5.5 million in 2021/22, which will be used for the audit of independent schools.

The Independent School Directorate monitors all subsidised independent schools and ensures that norms and standards are implemented in the interests of the learners. Independent school monitors are funded through compensation of employees in Programme 1: Administration. Subsidies will be paid to institutions within the stipulated timeframe and the department will increase its capacity to register new independent schools or de-register schools that do not fulfil stipulated requirements.

SERVICE DELIVERY MEASURES

PROGRAMME 3: INDEPENDENT SCHOOL SUBSIDIES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
PPM301: Percentage of registered independent schools receiving subsidies	27.1%	26.0%	26.0%	26.0%
PPM302: Number of learners at Subsidised registered independent schools	120 678	116 495	117 660	118 837
PPM303: Percentage of registered independent schools visited for monitoring and support	29.9%	25.0%	25.0%	25.0%

PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

Programme description

To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education.

Programme objectives

- To provide specific public special schools with resources;
- To provide educators and learners in public special schools with departmentally managed support services;
- To provide departmental services for the professional and other development of educators and non-educators in public special schools; and
- To provide additional and departmentally managed sporting and cultural activities in public special schools.

Key policies, priorities and outputs

The Gauteng Strategy for Early Identification and Support Provisioning to learners experiencing barriers to learning will focus on three key areas:

- Screening of learners to identify barriers to learning and development;
- Staff at full service schools and special schools resource centres as well as school-based support teams and district-based support teams will be trained and skilled to screen all learners in terms of screening, identification, assessment and support; and
- Identifying learners in need of alternative placement and finding appropriate placement through district- and school-based support teams that will be trained to identify learners with moderate to high level needs that need placement in full service and special schools resource centres.

TABLE 5.12: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC SPECIAL SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Schools	1 922 190	2 184 813	2 396 920	2 657 573	2 777 573	2 777 573	3 432 595	3 785 846	4 574 877
2. Human Resource Development		1 949	2 045	2 164	2 164	2 164	2 290	2 416	2 546
3. School Sport, Culture And Media Services	410	494	376	1 389	1 389	1 389	1 470	1 551	1 635
4. Conditional Grants	45 739		11 688	26 451	26 451	26 451	31 259	33 715	35 569
Total payments and estimates	1 968 339	2 187 256	2 411 029	2 687 577	2 807 577	2 807 577	3 467 614	3 823 528	4 614 627

TABLE 5.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC SPECIAL SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 637 764	1 823 696	2 036 876	2 193 630	2 328 445	2 325 071	2 843 530	3 165 119	3 920 558
Compensation of employees	1 627 135	1 817 966	2 014 882	2 167 433	2 287 435	2 284 061	2 811 746	3 130 912	3 883 233
Goods and services	10 629	5 730	21 994	26 197	41 010	41 010	31 784	34 207	37 325
Transfers and subsidies to:	330 352	363 514	373 487	493 247	478 755	482 129	624 084	658 409	694 069
Non-profit institutions	323 646	354 658	362 627	490 398	475 906	475 906	621 070	655 229	690 717
Households	6 706	8 856	10 860	2 849	2 849	6 223	3 014	3 180	3 352
Payments for capital assets	223	46	666	700	377	377			
Buildings and other fixed structures									
Machinery and equipment	223	46	666	700	377	377			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets									
Total economic classification	1 968 339	2 187 256	2 411 029	2 687 577	2 807 577	2 807 577	3 467 614	3 823 528	4 614 627

Public Special School Education receives an allocation of R3.5 billion in 2019/20, an increase of R780 million from the main budget of R2.7 billion in the 2018/19 financial year. The budget is to finance resource requirements and support 139 special schools and 30 full-service schools. A portion of the budget is earmarked for the provision of various assistive devices used at special schools.

The increase in compensation of employees amounts to 29.7 per cent from R2.2 billion in 2018/19 to R2.8 billion in the 2019/20 financial year. The increase is to make provision for the appointment of additional educators and therapists and improvement in the conditions of service for employees.

The budget for goods and services increases from R26.2 million in 2018/19 to R31.8 million in 2019/20. This is due to the re-classification of budget earmarked for teacher development and training from transfers to non-profit institutions to goods and services in line with the Classification Circular 21 of 2018.

The budget for transfers and subsidies increases by R130 million or 26.5 per cent from R493.2 million in 2018/19 to R624.1 million in the 2019/20 financial year. The increase is mainly due to the additional allocation of R100 million in 2019/20 for the provision of scholar transport to 18 496 learners from 100 schools. It is also attributable to the implementation of the department's inclusion strategy and the establishment and resourcing of full service schools.

The expansion programme, which includes early identification of learners in need of assistive devices in public special schools, is allocated R61.7 million in the 2019/20 financial year. Furthermore, R2.3 million in 2019/20 within the Human Resource Development Sub-Programme is allocated to teacher development to improve the performance of educators in special schools in the province.

The increase in the total expenditure and budget of the programme over the seven-year period under review is a result of the department's responsibility to ensure that all learners with special educational needs are suitably accommodated in institutions that are appropriately resourced.

SERVICE DELIVERY MEASURES

PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
PPM401: Percentage of special schools serving as Resource Centres	15.6%	15.6%	15.6%	15.6%
PPM402: Number of learners in public special schools	48 831	49 319	49 813	50 311
PPM403: Number of therapists/specialist staff in special schools	641	632	645	651

PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT

Programme description

To provide early childhood development education at Grade R and earlier levels in accordance with White Paper 5.

Programme objectives

- To provide specific public ordinary schools with the resources required for Grade R;
- To support particular community centres at Grade R level;
- To provide particular sites with resources required for pre-Grade R; and
- To provide educators and learners in ECD sites with departmentally managed support services.

Key policies, priorities and outputs

- The department will expand Grade R to all public schools as well as registering new Grade R sites and procuring additional classrooms to meet demand;
- The department will work with the Department of Social Development to recognise private Grade R in centres registered with them and those at local government;
- The department will identify Grade R practitioners for training to improve the quality of teaching and learning in the classroom;
- As part of quality education, the department will continue testing Grade R learners with learning difficulties to identify barriers such as dyslexia and psycho-motor disorders and provide simple assistive devices; and
- The Early Childhood Development Institute and the Department of Social Development will broaden access to Grade R and pre-Grade R programmes in all communities.

TABLE 5.14: SUMMARY OF PAYMENTS AND ESTIMATES: EARLY CHILDHOOD DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Grade R In Public Schools	640 359	618 041	621 931	749 103	750 593	750 593	792 549	836 139	886 302
2. Grade R In Community Centres	15 331	9 797	14 166	19 358	19 338	19 338	20 481	21 607	22 774
3. Pre-Grade R Training	35 556	20 688	21 294	24 445	22 975	22 975	25 863	27 286	28 759
4. Human Resource Development	14 489	15 257	16 020	16 949	16 949	16 949	17 932	18 918	19 940
5. Conditional Grants									
Total payments and estimates	705 735	663 783	673 411	809 855	809 855	809 855	856 825	903 950	957 775

TABLE 5.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EARLY CHILDHOOD DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	511 125	485 116	522 383	606 034	657 306	657 296	681 611	719 099	762 942
Compensation of employees	322 781	363 138	416 335	519 045	519 045	519 036	549 147	579 350	615 647
Goods and services	188 344	121 978	106 048	86 989	138 261	138 260	132 464	139 749	147 295
Transfers and subsidies to:	194 469	178 490	150 840	202 971	152 399	152 409	174 675	184 282	194 233
Non-profit institutions	194 264	178 485	150 840	202 971	152 399	152 399	174 675	184 282	194 233
Households	205	5				10			
Payments for capital assets	141	177	188	850	150	150	539	569	600
Buildings and other fixed structures									
Machinery and equipment	141	177	188	850	150	150	539	569	600
Payments for financial assets									
Total economic classification	705 735	663 783	673 411	809 855	809 855	809 855	856 825	903 950	957 775

The total Early Childhood Development programme budget increases from R809.9 million in 2018/19 to R856.8 million in 2019/20, a 5.8 per cent increase which amounts to R46.9 million. The compensation of employees budget increases from R519 million in the 2018/19 financial year to R549.1 million in 2019/20 representing a 5.8 per cent growth rate or a R30.1 million increase. This is to provide for improvement in conditions of services (ICS) and for the remuneration of Grade R practitioners in line with the target of expanding Grade R to all public schools.

The goods and services budget increases by R45.4 million from R87 million in 2018/19 to R132.5 million in 2019/20 which is attributable to inflationary adjustments and the re-classification of budget. Transfers and subsidies reduce by R28.3 million from R203 million in 2018/19 to R174.7 million in 2019/20. The reduction in transfers and subsidies is due to the re-classification of budget allocated for training of Grade R practitioners from transfers to non-profit institutions to goods and services in line with the Classification Circular 21 of 2018.

A total of R68.7 million within the Grade R in Public Schools Sub-Programme is allocated to the purchasing of start-up kits for all new Grade R centres in the province. The training of Grade R practitioners within the Human Resource Development Sub-Programme will receive R17.9 million in the 2019/20 financial year. There is a steady increase in the budget of the Sub-Programme: Grade R in Community Centres, from R19.4 million in 2018/19 to R20.5 million in 2019/20 for provision of support with curriculum and training. The department will also work on ensuring that all private Grade R sites are registered and monitored to improve the quality of education provided.

The growth in the expenditure and budget over the seven-year period as per the Table 5.14 above is informed by the expansion of Grade R due to the province's stance on universalisation of Grade R by 2019. The department envisages having 150 000 learners in Grade R by the end of the 2019/20 financial year. This has resulted in an increase in expenditure primarily as a result of salaries paid to Grade R practitioners and their training and the provision of resources to Grade R centres in schools.

SERVICE DELIVERY MEASURES

PROGRAMME 5: EARLY CHILD DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
PPM501: Number of public schools that offer Grade R	1 380	1 382	1 384	1 386
PPM502: Percentage of Grade 1 learners who have received formal Grade R education.	75.2%	75.4%	75.6%	75.8%

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT

Programme description

To provide and maintain infrastructure facilities for administration and schools.

Programme objectives

- Infrastructure development and maintenance of buildings;
- Office infrastructure development and maintenance;
- Infrastructure development and maintenance in public ordinary schools (main stream and full-service schools);
- Special schools infrastructure development and maintenance; and
- Infrastructure development and maintenance for ECD.

Key policies, priorities and outputs

- The department's infrastructure programme for the 2019 MTEF will focus on school maintenance using maintenance teams, the building of schools and providing of mobiles in high-pressure areas and completing the fencing of all priority schools in line with the department's safety strategy;
- The department is working in partnership with the DID to identify and purchase land for the development and completion of turnkey schools;
- The department will implement the norms and standards for school infrastructure to ensure a conducive learning environment in all schools;
- To bring education into the 21st century, the department aims to develop a model of a smart school that includes infrastructure, ICT and smart education;
- The department plans to ensure that all schools have functional clean and hygienic toilets to ensure an environment conducive to teaching and learning;

- The department will also pilot the cleaning of schools through the establishment of cooperatives and through the EPWP; and
- The department endeavours to ensure that all teachers, learners and administrative staff on school property are safe and secure always.

TABLE 5.16: SUMMARY OF PAYMENTS AND ESTIMATES: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	36 762	63 840	66 171	51 551	46 740	45 320	46 600	57 075	63 363
2. Public Ordinary Schools	2 517 678	2 424 624	1 697 282	1 413 149	1 513 082	1 541 305	1 687 803	1 309 592	1 571 397
3. Special Schools	186 796	251 131	108 139	115 548	42 261	36 466	156 804	118 293	116 163
4. Early Childhood Development	54 807	111 333	105 068	115 889	94 054	73 046	58 329	51 438	58 584
Total payments and estimates	2 796 043	2 850 928	1 976 660	1 696 137	1 696 137	1 696 137	1 949 536	1 536 398	1 809 507

TABLE 5.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	719 211	420 348	287 596	286 896	286 896	370 386	257 196	274 888	315 282
Compensation of employees		34 119	26 462	39 867	37 907	37 294	43 319	46 374	49 650
Goods and services	719 211	386 229	261 134	247 029	248 989	333 092	213 877	228 514	265 632
Transfers and subsidies to:			50			77			
Provinces and municipalities									
Households			50			77			
Payments for capital assets	2 076 832	2 430 580	1 689 014	1 409 241	1 409 241	1 325 674	1 692 340	1 261 510	1 494 225
Buildings and other fixed structures	2 067 333	2 407 325	1 674 332	1 392 059	1 372 257	1 288 690	1 686 472	1 253 595	1 483 849
Machinery and equipment		45	476						
Land and sub-soil assets	9 499	23 210	14 206	17 182	36 984	36 984	5 868	7 915	10 376
Software and other intangible assets									
Payments for financial assets									
Total economic classification	2 796 043	2 850 928	1 976 660	1 696 137	1 696 137	1 696 137	1 949 536	1 536 398	1 809 507

The Infrastructure Development Programme is allocated R1.9 billion in the 2019/20 financial year. The budget increases by 14.9 per cent from 2018/19 to 2019/20, a rand value increase of R253 million. Over the 2019 MTEF, the programme is allocated R5.3 billion to provide and maintain school infrastructure to support teaching and learning in schools.

The budget for compensation of employees increases from a main appropriation of R39.9 million in 2018/19 to R43.3 million in 2019/20 to cater for improvement in conditions of services (ICS). Goods and Services is allocated R213.9 million in 2019/20 and R708 million over the 2019 MTEF of which the largest portion is for preventative maintenance and the preservation of existing facilities to ensure functionality and a safe environment

The item payments for capital assets, which includes buildings and other fixed structures, increases to R1.7 billion in the 2019/20 financial year. This represents a 20.1 per cent increase in funding from a main budget of R1.4 billion allocated in the 2018/19 financial year. The budget is allocated to new infrastructure, rehabilitation and upgrading of existing infrastructure. The budget increase is to ensure the completion of projects that are currently in progress as well as the finalisation of planning processes that will enter the delivery chain in the 2019/20 financial year.

The budget for special schools increases from a main budget of R115.5 million in 2018/19 to R156.8 million in 2019/20 for the construction of specialist rooms in ordinary schools in line with the inclusion strategy.

SERVICE DELIVERY MEASURES

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
PPM601: Number of public ordinary schools provided with water supply	N/A	N/A	N/A	N/A
PPM602: Number of public ordinary schools provided with electricity supply	N/A	N/A	N/A	N/A
PPM603: Number of public ordinary schools supplied with sanitation facilities	N/A	N/A	N/A	N/A
PPM604: Number of additional classrooms built in, or provided for, existing public ordinary schools (includes replacement schools)	350	175	175	175
PPM605: Number of additional specialist rooms built in public ordinary schools (includes replacement schools).	40	30	30	30
PPM606: Number of new schools completed and ready for occupation (includes replacement schools)	8	6	6	7
PPM607: Number of new schools under construction (includes replacement schools)	22	14	12	12
PPM608: Number of new or additional Grade R classrooms built (includes those in replacement schools).	40	60	60	60
PPM609: Number of hostels built	N/A	N/A	N/A	N/A
PPM610: Number of schools where scheduled maintenance projects were completed	370	10	10	10

PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES

Programme description

To provide training and support to all education institutions

Programme objectives

- Provide employee human resources development in accordance with the Skills Development Act;
- Provide for special departmentally managed intervention projects within the education system;
- Provide educators and learners in public ordinary schools with departmentally managed support services; and
- Provide departmentally managed examination services.

TABLE 5.18: SUMMARY OF PAYMENTS AND ESTIMATES: EXAMINATION AND EDUCATION RELATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Payments To Seta	75 345	79 350	84 639	95 072	95 317	95 317	105 143	113 229	123 902
2. Professional Services	365 194	343 247	317 283	451 096	339 492	331 992	403 822	426 032	449 039
3. Special Projects	395 069	409 870	346 516	492 238	511 740	511 740	520 788	549 431	586 524
4. External Examinations	307 863	348 331	343 288	454 218	454 215	454 215	480 563	506 994	534 372
5. Conditional Grants	47 193	29 579	12 328	10 855	10 855	10 855	5 074		
Total payments and estimates	1 190 664	1 210 377	1 104 054	1 503 479	1 411 619	1 404 119	1 515 390	1 595 686	1 693 837

TABLE 5.19: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXAMINATION AND EDUCATION RELATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	756 218	767 185	718 472	926 671	881 327	873 796	995 884	1 045 303	1 109 174
Compensation of employees	422 464	455 171	399 437	447 539	399 212	399 181	421 220	439 034	462 742
Goods and services	333 754	312 014	319 035	479 132	482 115	474 615	574 664	606 269	646 432
Interest and rent on land									
Transfers and subsidies to:	394 819	366 822	287 271	482 147	400 675	400 706	391 709	415 556	442 555
Departmental agencies and accounts	75 345	79 350	84 639	95 072	95 317	95 317	105 143	113 229	123 902
Non-profit institutions	102 865	51 335	18 143	125 204	8 985	8 985	9 506	10 029	10 571

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Households	216 609	236 137	184 489	261 871	296 373	296 404	277 060	292 298	308 082
Payments for capital assets	39 627	76 370	76 570	94 661	129 617	129 617	127 797	134 827	142 108
Buildings and other fixed structures									
Machinery and equipment	39 477	76 370	76 570	94 661	129 617	129 617	127 797	134 827	142 108
Software and other intangible assets	150								
Payments for financial assets			21 741						
Total economic classification	1 190 664	1 210 377	1 104 054	1 503 479	1 411 619	1 404 119	1 515 390	1 595 686	1 693 837

The Examination and Education-Related Services Programme receives an allocation of R1.5 billion in 2019/20, an increase of R11.9 million from the main appropriation of R1.5 billion in 2018/19. The programme is allocated a total of R4.8 billion over the 2019 MTEF.

Compensation of employees decreases by 5.9 percent, from the main appropriation of R447.5 million in 2018/19 to R421.2 million in 2019/20 due to the re-prioritisation from personnel budget for markers and moderators within the External Examination Sub- Programme.

Goods and Services increases by R95.6 million from a main appropriation of R479.1 million in 2018/19 to R574.7 million in 2019/20. Transfers and Subsidies decline by R90.4 million from a main budget of R482.1 million in 2018/19 to R391.7 million in 2019/20. The decline in transfers is due to the re-classification of the budget for training of School Governing Body (SGB) and parents from transfers to non-profit institutions to goods and services in line with Classification Circular 21 of 2018.

A total of R15.6 million will be spent on school safety within the Professional Services Sub-Programme in the 2019/20 financial year. This includes advocacy and development of school safety plans in all priority schools and training of occupational health and safety officers.

An amount of R76.7 million will be invested in Psycho-Social Services within the Professional Services Sub-Programme and R28.4 million is allocated to the Parental Involvement Programme.

The GCR Academy is allocated an amount of R520.9 million for the continued expansion of the Master Skill Programme (MSP) and includes the provision of bursaries to the top three learners from no-fee schools and other learners based on their performance. The Sub-Programme: External Examinations will receive R480.6 million in 2019/20 of which R274.1 million is for examination markers and moderators who are paid a stipend as per the Personal Administration Measures (PAM) and R206.5 million is for goods and services as well as for printing of question papers and answer sheets.

SERVICE DELIVERY MEASURES

PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
PPM701: Percentage of learners who passed National Senior Certificate (NSC)	87.9%	88.0%	88.1%	88.2%
PPM702: Percentage of Grade 12 learners passing at bachelor level	43.6%	43.7%	43.8%	43.9%
PPM703: Percentage of Grade 12 learners achieving 50% or more in Mathematics	35.3%	35.4%	35.5%	35.6%
PPM704: Percentage of Grade 12 learners achieving 50% or more in Physical Sciences	44.3%	44.4%	44.5%	44.6%
PPM705: Number of secondary schools with National Senior Certificate (NSC) pass rate of 60% and above	861	861	861	861

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 5.20: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

R thousands	Actual						Revised estimate			Medium-term expenditure estimate				Average annual growth over MTEF					
	2015/16		2016/17		2017/18		2018/19			2019/20		2020/21		2021/22		2018/19 - 2021/22			
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	Personnel rate	% Costs of Total	
Salary level																			
1 – 6	21 864	3 815 689	21 032	3 854 560	22 079	4 403 348	22 190		22 190	4 682 441	23 092	5 123 172	23 508	5 525 278	23 932	6 087 890	2.6%	9.1%	13.8%
7 – 10	53 984	19 753 372	60 368	22 116 813	59 955	23 450 976	62 135		62 135	25 908 931	64 047	28 382 114	65 258	30 624 150	66 491	33 608 295	2.3%	9.1%	76.1%
11 – 12	4 302	1 566 084	2 248	1 610 825	2 219	1 802 850	2 317		2 317	1 903 168	2 359	2 004 036	2 393	2 114 258	2 429	2 230 542	1.6%	5.4%	5.3%
13 – 16	97	101 477	97	100 082	102	120 490	97		97	117 537	114	130 574	114	130 574	114	137 755	5.5%	5.4%	0.3%
Other	22 241	745 245	21 820	978 121	19 457	1 624 024	16 168		16 168	1 517 544	16 997	1 739 011	17 707	1 837 940	17 768	1 955 405	3.2%	8.8%	4.5%
Total	102 488	25 981 867	105 565	28 660 401	103 812	31 401 688	102 907		102 907	34 129 621	106 609	37 372 099	108 980	40 232 200	110 734	44 019 887	2.5%	8.9%	100.0%
Programme																			
1. Administration	4 992	1 991 320	5 353	2 141 736	6 152	2 389 651	5 641		5 641	2 641 090	6 878	3 096 897	6 928	3 426 759	6 978	4 053 115	7.3%	15.3%	8.5%
2. Public Ordinary School Education	69 553	21 618 167	73 152	23 848 271	73 173	26 181 603	75 094		75 094	28 248 959	76 595	30 449 770	78 126	32 609 771	79 688	34 955 501	2.0%	7.4%	80.9%
3. Independent School Subsidies																	0.0%	0.0%	0.0%
4. Public Special School Education	5 702	1 627 135	6 177	1 817 966	6 920	2 014 882	7 411		7 411	2 284 061	7 560	2 811 746	7 700	3 130 912	7 842	3 883 233	1.9%	19.4%	7.9%
5. Early Childhood Development	3 950	322 781	3 948	363 138	4 740	416 335	4 368		4 368	519 036	5 183	549 147	5 833	579 350	5 833	615 647	10.1%	5.9%	1.4%
6. Infrastructure Development			70	34 119	72	26 462	70		70	37 294	70	43 319	70	46 374	70	49 650	0.0%	10.0%	0.1%
7. Examination And Education Related Services	18 291	422 464	16 865	455 171	12 755	399 437	10 323		10 323	399 181	10 323	421 220	10 323	439 034	10 323	462 742	0.0%	5.0%	1.1%
Direct charges																	0.0%	0.0%	0.0%
Total	102 488	25 981 867	105 565	28 660 401	103 812	31 428 370	102 907		102 907	34 129 621	106 609	37 372 099	108 980	40 232 200	110 734	44 019 887	2.5%	8.9%	100.0%
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs	16 822	3 062 561	19 648	2 601 282	19 836	2 843 526	18 881		18 881	3 155 344	20 711	3 306 861	21 164	3 559 257	21 496	3 894 045	4.4%	7.3%	9.0%
Professional Nurses, Staff Nurses and Nursing Assistants	528	25 354	528	74 040	85	82 889	104		104	30 935	115	32 617	118	35 107	120	38 409	4.9%	7.5%	0.1%
Legal Professionals	10	5 150	9	4 974	10	5 673	10		10	6 024	11	6 321	11	6 803	12	7 443	6.3%	7.3%	0.0%
Social Services Professions	43	11 043	45	10 696	43	10 918	41		41	11 424	45	11 987	46	12 902	47	14 115	4.7%	7.3%	0.0%

R thousands	Actual				Revised estimate			Medium-term expenditure estimate				Average annual growth over MTEF							
	2015/16		2016/17		2017/18		2018/19			2019/20		2020/21		2021/22		2018/19 - 2021/22			
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Engineering Professions and related occupations	37	20 383	53	20 456	78	57 669	50		50	21 266	51	22 890	52	25 043	52	25 043	1.3%	4.8%	0.1%
Therapeutic, Diagnostic and other related Allied Health Professionals	412	74 978	461	160 604	441	148 062	481		481	174 912	535	188 262	544	205 971	544	205 971	4.2%	6.4%	0.5%
Educators and related professionals	62 395	21 989 917	64 008	25 063 269	65 373	27 388 257	67 172		67 172	32 799 479	76 382	35 310 217	77 740	38 635 015	77 740	38 635 015	5.0%	9.0%	87.6%
Others such as interns, EPWP, learnerships, etc	22 241	792 481	20 813	725 080	17 946	864 694	10 323		10 323	1 018 656	10 323	1 096 762	10 323	1 199 846	10 323	1 199 846	0.0%	8.5%	2.7%
Total	102 488	25 981 867	105 565	28 660 401	103 812	31 401 688	97 062		97 062	37 372 099	108 630	40 232 200	110 334	44 019 887	110 334	44 019 887	4.4%	8.9%	100.0%

The personnel headcount of the department presents its commitment to keep class sizes in accordance with the policy norms of 1:40 in primary schools and 1:35 in secondary schools. Other specific norms relate to technical schools with a ratio of 1:12 and special schools with a maximum ratio of 1:15. The increase in staff numbers at school level is an attempt to rectify the divergence from policy norms and to maintain the current averages, simultaneously accommodating the growth in learner numbers in the schools.

In the 2019/20 financial year the staff headcount is at 106 609 and increases by 3 702 from the 2018/19 financial year owing to the ongoing need to employ additional educators to cater for high learner numbers. The capacity, in terms of personnel in the infrastructure programme, will be maintained at 70 over the 2019 MTEF. The number of personnel in the ESSP, school sports and school safety programmes will also be maintained over the 2019 MTEF. The early childhood development programme has the highest growth in personnel headcount over the 2019 MTEF owing to the attempt to reach the Universalisation of Grade R target by 2019. Educator numbers in public ordinary schools remain stable and growth is informed by an increase in learner numbers, curriculum diversity and the opening of new schools.

9.2 Training

TABLE 5.21: INFORMATION ON TRAINING: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	102 488	105 565	103 812	102 907	102 907	102 907	106 609	108 980	110 734
Number of personnel trained	43 665	43 505	50 968	57 513	57 513	60 585	62 384	67 240	68 250
of which									
Male	18 097	17 997	19 585	22 867	22 867	25 685	26 685	29 600	30 000
Female	25 568	25 508	31 383	34 646	34 646	34 900	35 699	37 640	38 250
Number of training opportunities	49 976	42 417	68 662	75 207	75 207	76 805	78 385	82 341	83 250
of which									
Tertiary	1 350	3 200	8 271	5 954	5 954	6 954	11 150	12 250	12 300
Workshops	48 626	39 217	50 172	50 172	50 172	50 770	60 060	59 251	60 300
Seminars									
Other			10 219	19 081	19 081	19 081	7 175	10 840	10 650
Number of bursaries offered	2 820	516	2 728	2 150	2 350	2 350	2 300	2 350	2 400
Number of interns appointed	480	417	2 529	2 500	2 136	2 136	2 700	2 750	2 800
Number of learnerships appointed	3 531	4	2 292	2 100	2 550	2 550	2 750	2 800	2 810
Number of days spent on training									
Payments on training by programme									
1. Administration	26 868	14 801	14 212	43 931	41 560	41 560	64 533	73 853	104 686
2. Public Ordinary School Education	146 109	149 291	116 852	174 041	170 428	170 428	184 136	194 263	204 754
3. Independent School Subsidies									
4. Public Special School Education	1 850	1 949	2 045	2 164	2 164	2 164	2 290	2 416	2 546
5. Early Childhood Development	14 489	15 257	16 020	16 949	16 949	16 949	17 932	18 918	19 940
6. Infrastructure Development									
7. Examination And Education Related Services	298 939	136 917	177 045	176 416	191 828	192 700	204 768	218 333	234 681
Total payments on training	488 255	318 215	326 174	413 501	422 929	423 801	473 659	507 783	566 607

The Integrated Strategic Framework for Teacher Education and Development in South Africa dictates that all provinces need to establish the Provincial Teacher Development Institutes (PTDIs) and the District Teacher Development Centres

(DTDCs). The main aim for PTDis and DTDCs is to provide training and development programmes to enhance the quality of teaching and learning in schools. The province has 18 DTDCs whose functions include the implementation of the supply driven and demand driven programmes.

The Matthew Goniwe School of Leadership, Sci-Bono Discovery Centre and the Gauteng City Region Academy implements teacher development programmes on behalf of the department. Emphasis is placed on mathematics, science and technology and CAPS as informed by the standardised tests results, IQMS and school evaluation, moderators report, school improvement plans and district improvement plans.

Bursaries are awarded to enable the employees to obtain partial or full qualifications. All training programmes are provided to deliver quality teachers, to improve the performance of office-based employees and to address the gaps as shown in the needs identification report.

9.3 Reconciliation of structural changes

Not Applicable

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 5.22: SPECIFICATION OF RECEIPTS: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	24 723	25 815	27 878	27 330	27 330	29 479	28 013	29 554	31 150
Sale of goods and services produced by department (excluding capital assets)	24 723	25 815	27 878	27 330	27 330	29 479	28 013	29 554	31 150
Sales by market establishments	2 233								
Other sales	22 490	25 815	27 878	27 330	27 330	29 479	28 013	29 554	31 150
Of which									
Health patient fees	22 274	25 815	27 878	27 330	27 330	29 479	28 013	29 554	31 150
Transfers received from:									
Fines, penalties and forfeits	65	31	110	41	41	227	42	44	46
Interest, dividends and rent on land	263	461	441	197	197	401	202	213	225
Interest	263	461	441	197	197	401	202	213	225
Sales of capital assets	19 940		56						
Land and sub-soil assets	19 940		56						
Transactions in financial assets and liabilities	6 417	22 782	9 960	4 403	4 403	7 392	4 513	4 761	5 018
Total departmental receipts	51 408	49 089	38 445	31 971	31 971	37 499	32 770	34 572	36 439

TABLE 5.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	30 126 478	32 793 641	35 996 155	39 224 970	40 176 141	40 239 969	43 646 932	46 870 183	51 068 678
Compensation of employees	25 981 867	28 660 401	31 428 370	33 738 301	34 138 539	34 129 621	37 372 099	40 232 200	44 019 887
Salaries and wages	22 327 532	24 683 542	27 064 216	29 193 184	29 531 308	29 525 590	32 337 703	34 812 813	38 099 703
Social contributions	3 654 335	3 976 859	4 364 154	4 545 117	4 607 231	4 604 031	5 034 396	5 419 387	5 920 184
Goods and services	4 143 950	4 129 754	4 567 535	5 486 669	6 037 585	6 110 283	6 274 833	6 637 983	7 048 791
Administrative fees	16 281	7 212	82 195	114 090	142 321	144 876	142 034	149 799	157 887
Advertising	46 365	11 217	10 627	11 973	13 685	13 685	14 214	15 005	15 816
Minor assets	2 134	1 399	1 013	3 946	9 425	9 425	4 420	4 663	4 915
Audit cost: External	14 490	15 098	11 571	20 000	20 000	20 000	20 408	21 530	22 693
Bursaries: Employees	817	3 628	5 934	26 427	11 821	11 821	20 234	23 272	33 477
Catering: Departmental activities	8 528	5 774	8 377	13 759	14 890	15 175	38 312	40 414	42 596
Communication (G&S)	55 058	75 105	57 215	68 200	95 446	104 763	55 797	57 217	58 832
Computer services	98 156	56 599	91 231	254 446	187 497	175 204	255 024	269 048	283 576
Consultants and professional services: Business and advisory services	39 925	32 719	24 916	65 616	71 246	60 561	80 580	69 187	72 922
Infrastructure and planning									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Legal services	42 374	16 619	9 170	16 000	12 296	16 195	13 130	13 852	14 600
Contractors	7 723	6 394	301 725	322 414	382 979	383 428	281 904	297 410	313 472
Agency and support / outsourced services	779 673	786 083	864 288	1 047 015	1 033 076	1 031 819	1 040 848	1 094 575	1 154 641
Fleet services (including government motor transport)	14 315	14 157	7 623	21 808	23 420	24 863	25 853	27 278	28 878
Inventory: Clothing material and accessories									
Inventory: Learner and teacher support material	819 426	535 167	509 964	622 440	729 690	723 801	746 818	788 036	832 113
Inventory: Materials and supplies									
Inventory: Other supplies	266 806	824 544	264 876	271 337	346 788	346 788	420 772	444 204	468 713
Consumable supplies	16 414	15 366	20 669	97 088	63 424	63 418	99 914	105 656	111 349
Consumable: Stationery, printing and office supplies	20 080	22 947	19 691	32 211	26 836	26 765	33 183	35 008	36 985
Operating leases	212 330	220 879	202 913	183 541	302 383	302 342	207 127	218 520	223 854
Property payments	900 519	641 123	594 468	831 681	852 162	935 117	824 148	879 505	951 774
Transport provided: Departmental activity	550 340	570 742	820 243	1 067 453	1 067 753	1 068 623	1 115 044	1 201 543	1 274 528
Travel and subsistence	95 369	104 536	116 807	118 249	142 182	144 391	157 318	165 409	174 386
Training and development	45 886	70 860	466 211	126 123	338 481	338 300	423 899	449 028	481 479
Operating payments	71 407	65 205	53 942	123 065	117 373	116 501	175 425	185 080	202 093
Venues and facilities	18 103	24 502	15 067	24 685	27 683	27 683	75 204	79 345	83 630
Rental and hiring	1 431	1 879	6 799	3 102	4 728	4 739	3 223	3 398	3 582
Interest and rent on land	661	3 486	250		17	65			
Interest	661	3 486	250		17	65			
Transfers and subsidies	4 007 867	4 056 193	3 609 279	4 435 175	3 952 278	3 968 161	4 291 669	4 548 435	4 798 800
Departmental agencies and accounts	75 345	79 350	84 639	95 072	95 317	95 317	105 143	113 229	123 902
Provide list of entities receiving transfers	75 345	79 350	84 639	95 072	95 317	95 317	105 143	113 229	123 902
Non-profit institutions	3 571 656	3 546 626	3 147 101	3 952 419	3 434 775	3 442 275	3 776 357	4 002 478	4 218 803
Households	360 866	430 217	377 539	387 684	422 186	430 569	410 169	432 728	456 095
Social benefits	144 109	194 075	191 473	125 813	125 813	133 885	133 109	140 430	148 013
Other transfers to households	216 757	236 142	186 066	261 871	296 373	296 684	277 060	292 298	308 082
Payments for capital assets	2 150 749	2 548 995	1 787 082	1 560 395	1 583 487	1 499 920	1 870 950	1 450 129	1 693 029
Buildings and other fixed structures	2 067 452	2 407 325	1 674 332	1 392 059	1 372 257	1 288 690	1 686 472	1 253 595	1 483 849
Buildings	2 067 333	2 407 325	1 674 332	1 392 059	1 372 257	1 288 690	1 686 472	1 253 595	1 483 849
Other fixed structures	119								
Machinery and equipment	73 135	114 755	98 544	151 104	174 196	174 196	178 610	188 619	198 804
Transport equipment		7							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Other machinery and equipment	73 135	114 748	98 544	151 104	174 196	174 196	178 610	188 619	198 804
Land and sub-soil assets	9 499	23 210	14 206	17 182	36 984	36 984	5 868	7 915	10 376
Software and other intangible assets	663	3 705		50	50	50			
Payments for financial assets	11 428	11 097	21 789			3 856			
Total economic classification	36 296 522	39 409 926	41 414 305	45 220 540	45 711 906	45 711 906	49 809 551	52 868 747	57 560 507

TABLE 5.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	2 599 090	2 682 822	2 921 882	3 260 452	3 399 354	3 390 898	3 789 144	4 160 930	4 838 370
Compensation of employees	1 991 320	2 141 736	2 389 651	2 597 690	2 645 690	2 641 090	3 096 897	3 426 759	4 053 114
Salaries and wages	1 703 798	1 837 061	2 055 064	2 221 712	2 264 772	2 264 772	2 656 194	2 941 327	3 485 262
Social contributions	287 522	304 675	334 587	375 978	380 918	376 318	440 703	485 432	567 852
Goods and services	607 167	541 001	531 981	662 762	753 664	749 760	692 247	734 171	785 256
Administrative fees	1 799	1 526	974	1 463	1 597	1 557	3 307	3 489	3 677
Advertising	22 136	4 502	3 991	4 284	4 261	4 261	4 645	4 901	5 165
Minor assets	1 320	982	776	2 531	8 778	8 778	2 973	3 136	3 305
Audit cost: External	14 490	15 098	11 571	20 000	20 000	20 000	20 408	21 530	22 693
Bursaries: Employees	817	3 628	4 420	21 427	11 427	11 427	15 234	17 997	27 917
Catering: Departmental activities	1 031	380	1 991	1 757	1 741	1 803	1 876	1 978	2 084
Communication (G&S)	29 333	30 931	21 689	14 722	15 669	24 986	15 402	16 250	17 128
Computer services	95 435	54 754	62 757	118 944	112 319	104 623	121 996	128 704	135 653
Consultants and professional services: Business and advisory services	8 452	20 839	17 003	28 148	27 971	17 286	30 929	32 630	34 392
Legal services	41 861	16 619	9 170	16 000	12 296	16 195	13 130	13 852	14 600
Contractors	2 745	4 041	88 565	123 094	124 931	124 931	119 753	126 340	133 162
Agency and support / outsourced services	74 887	77 088	17 417	35 747	30 521	30 362	37 539	39 605	41 743
Fleet services (including government motor transport)	10 708	10 543	4 624	7 710	7 823	9 381	8 584	9 056	9 546
Inventory: Clothing material and accessories									
Inventory: Learner and teacher support material	435	427	121	592	358	400	579	610	644
Inventory: Other supplies	10 897	3 154	25		22	22			
Consumable supplies	4 233	4 935	6 306	8 479	7 442	7 436	10 104	10 662	11 238
Consumable: Stationery, printing and office supplies	8 063	9 964	8 199	14 116	11 283	11 190	13 984	14 754	15 550
Operating leases	195 194	202 031	184 367	146 607	261 683	261 642	166 532	175 692	178 722

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Property payments	39 261	40 079	52 724	52 651	55 633	55 586	48 643	51 318	54 089
Transport provided: Departmental activity	33	245	134	350	240	240	220	233	246
Travel and subsistence	28 884	24 864	20 220	19 671	19 550	19 535	22 432	23 665	24 946
Training and development	6 177	4 640	3 170	11 125	5 375	5 375	20 731	23 792	34 026
Operating payments	6 796	7 280	6 372	9 260	9 260	9 260	9 039	9 536	10 050
Venues and facilities	1 497	588	1 603	1 880	1 480	1 480	1 983	2 094	2 207
Rental and hiring	683	1 863	3 792	2 204	2 004	2 004	2 224	2 346	2 473
Interest and rent on land	603	85	250			48			
Interest	603	85	250			48			
Transfers and subsidies	13 749	19 686	11 338	5 834	5 834	10 434	6 171	6 510	6 861
Departmental agencies and accounts									
Provide list of entities receiving transfers									
Non-profit institutions		3 549							
Households	13 749	16 137	11 338	5 834	5 834	10 434	6 171	6 510	6 861
Social benefits	13 711	15 854	10 105	5 834	5 834	10 434	6 171	6 510	6 861
Other transfers to households	38	283	1 233						
Payments for capital assets	13 699	25 033	19 316	33 608	32 024	32 024	43 146	45 519	47 977
Machinery and equipment	13 186	21 328	19 316	33 558	31 974	31 974	43 146	45 519	47 977
Other machinery and equipment	13 186	21 328	19 316	33 558	31 974	31 974	43 146	45 519	47 977
Software and other intangible assets	513	3 705		50	50	50			
Payments for financial assets	11 428	11 097	48			3 856			
Total economic classification	2 637 966	2 738 638	2 952 584	3 299 894	3 437 212	3 437 212	3 838 461	4 212 959	4 893 208

TABLE 5.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC ORDINARY SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	23 903 070	26 614 474	29 504 301	31 951 287	32 622 813	32 622 522	35 059 567	37 499 569	40 116 792
Compensation of employees	21 618 167	23 848 271	26 181 603	27 966 727	28 249 250	28 248 959	30 449 770	32 609 771	34 955 501
Salaries and wages	18 490 773	20 446 226	22 451 864	24 089 375	24 333 224	24 332 933	26 235 694	28 097 704	30 123 826
Social contributions	3 127 394	3 402 045	3 729 739	3 877 352	3 916 026	3 916 026	4 214 076	4 512 067	4 831 675
Goods and services	2 284 845	2 762 802	3 322 698	3 984 560	4 373 546	4 373 546	4 609 797	4 889 798	5 161 291
Administrative fees		2	73 374	109 043	130 139	130 139	128 067	135 065	142 358
Advertising	1 770	673	2 314	2 469	2 845	2 845	3 607	3 816	4 023
Minor assets	39	71	8	205	211	211	256	270	285
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	680	1 443	5 799	9 259	8 692	8 915	30 544	32 219	33 959

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Communication (G&S)	21 210	38 154	31 031	41 097	71 202	71 202	31 510	31 593	31 679
Computer services	13		26 819	125 000	57 000	57 000	113 000	119 215	125 653
Consultants and professional services: Business and advisory services				15 250	15 250	15 250			
Infrastructure and planning									
Legal services	148								
Contractors	902	140	211 488	195 219	238 762	238 762	158 641	167 367	176 405
Agency and support / outsourced services	666 380	694 803	845 237	977 676	993 195	993 155	983 916	1 034 510	1 091 333
Fleet services (including government motor transport)	77	179	823	1 213	1 204	1 204	1 438	1 521	1 604
Inventory: Clothing material and accessories									
Inventory: Learner and teacher support material	623 786	401 454	436 094	521 496	640 386	640 386	668 103	704 318	742 351
Inventory: Materials and supplies									
Inventory: Other supplies	91 024	727 006	178 004	271 187	346 075	346 075	420 772	444 204	468 191
Consumable supplies	9 902	3 683	7 257	36 843	41 116	41 116	38 587	40 956	43 168
Consumable: Stationery, printing and office supplies	1 703	2 216	1 586	3 283	2 888	2 888	3 442	3 631	3 827
Operating leases	272	1 852	1 819	14 583	17 216	17 216	15 733	16 598	17 494
Property payments	301 930	308 809	368 859	528 029	528 263	528 263	558 987	596 892	629 123
Transport provided: Departmental activity	544 281	563 995	819 031	1 063 727	1 063 815	1 064 685	1 110 858	1 197 125	1 269 871
Travel and subsistence	5 427	5 561	8 395	17 986	20 282	20 282	26 598	27 493	28 979
Training and development	3 255	6 569	293 043	19 716	169 081	168 028	191 806	202 249	213 171
Operating payments	7 383	3 206	7 017	26 496	19 718	19 718	75 361	79 512	83 805
Venues and facilities	3 918	2 986	1 693	3 885	3 779	3 779	47 572	50 192	52 903
Rental and hiring	745		3 007	898	2 427	2 427	999	1 052	1 109
Interest and rent on land	58	3 401			17	17			
Interest	58	3 401			17	17			
Transfers and subsidies	2 481 878	2 492 313	2 100 931	2 519 224	2 182 863	2 186 154	2 260 836	2 387 778	2 516 719
Non-profit institutions	2 358 281	2 323 231	1 930 129	2 402 094	2 065 733	2 068 733	2 136 912	2 257 038	2 378 919
Households	123 597	169 082	170 802	117 130	117 130	117 421	123 924	130 740	137 800
Social benefits	123 380	169 033	170 802	117 130	117 130	117 130	123 924	130 740	137 800
Other transfers to households	217	49				291			
Payments for capital assets	20 227	16 789	1 328	21 335	12 078	12 078	7 128	7 704	8 119
Buildings and other fixed structures	119								
Buildings									
Other fixed structures	119								

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Machinery and equipment	20 108	16 789	1 328	21 335	12 078	12 078	7 128	7 704	8 119
Other machinery and equipment	20 108	16 789	1 328	21 335	12 078	12 078	7 128	7 704	8 119
Payments for financial assets									
Total economic classification	26 405 175	29 123 576	31 606 560	34 491 846	34 817 754	34 820 754	37 327 531	39 895 051	42 641 630

TABLE 5.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INDEPENDENT SCHOOL SUBSIDIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments			4 645				20 000	5 275	5 560
Goods and services			4 645				20 000	5 275	5 560
Consultants and professional services: Business and advisory services Operating leases			4 645				20 000	5 275	5 560
Transfers and subsidies	592 600	635 368	685 362	731 752	731 752	736 252	834 194	895 900	944 363
Non-profit institutions	592 600	635 368	685 362	731 752	731 752	736 252	834 194	895 900	944 363
Payments for capital assets									
Payments for financial assets									
Total economic classification	592 600	635 368	690 007	731 752	731 752	736 252	854 194	901 175	949 923

TABLE 5.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC SPECIAL SCHOOL EDUCATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 637 764	1 823 696	2 036 876	2 193 630	2 328 445	2 325 071	2 843 530	3 165 119	3 920 558
Compensation of employees	1 627 135	1 817 966	2 014 882	2 167 433	2 287 435	2 284 061	2 811 746	3 130 912	3 883 233
Salaries and wages	1 389 947	1 553 085	1 720 540	1 875 646	1 980 048	1 976 489	2 435 910	2 713 025	3 366 796
Social contributions	237 188	264 881	294 342	291 787	307 387	307 572	375 836	417 887	516 437
Goods and services	10 629	5 730	21 994	26 197	41 010	41 010	31 784	34 207	37 325
Administrative fees			6						
Advertising	75		90	465	356	356	642	676	713
Minor assets	34	26							
Catering: Departmental activities	40		286	534	398	398	288	304	320
Communication (G&S)	163	113	174	793	543	543	510	538	712
Computer services	1								
Agency and support / outsourced services	309								
Fleet services (including government motor transport)	629	76		800	510	395	410	433	582
Inventory: Learner and teacher support material	5 681		5 593	3 490	4 418	4 533	6 089	7 099	9 004

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Inventory: Other supplies	52	1 031	309		541	541			522
Consumable supplies	276	3 339	4 848	12 365	11 690	11 690	12 966	13 678	14 403
Consumable: Stationery, printing and office supplies	665	187	536	670	561	583	686	724	850
Operating leases	1 435	70	464	1 180	1 180	1 180	1 090	1 150	1 203
Property payments			234	3 972	16 572	16 290	4 522	4 771	5 029
Transport provided: Departmental activity				130	180	180	100	106	112
Travel and subsistence	833	655	690	350	88	348	200	211	264
Training and development	380		8 741	1 368	3 718	3 718	3 853	4 065	3 538
Operating payments	42	233	23		127	127	363	383	
Venues and facilities	14			20	33	33	15	16	17
Transfers and subsidies	330 352	363 514	373 487	493 247	478 755	482 129	624 084	658 409	694 069
Non-profit institutions	323 646	354 658	362 627	490 398	475 906	475 906	621 070	655 229	690 717
Households	6 706	8 856	10 860	2 849	2 849	6 223	3 014	3 180	3 352
Social benefits	6 706	8 856	10 395	2 849	2 849	6 203	3 014	3 180	3 352
Payments for capital assets	223	46	666	700	377	377			
Machinery and equipment	223	46	666	700	377	377			
Other machinery and equipment	223	46	666	700	377	377			
Payments for financial assets									
Total economic classification	1 968 339	2 187 256	2 411 029	2 687 577	2 807 577	2 807 577	3 467 614	3 823 528	4 614 627

TABLE 5.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EARLY CHILDHOOD DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	511 125	485 116	522 383	606 034	657 306	657 296	681 611	719 099	762 942
Compensation of employees	322 781	363 138	416 335	519 045	519 045	519 036	549 147	579 350	615 647
Salaries and wages	322 685	362 840	415 974	519 045	519 045	518 679	548 671	578 846	615 116
Social contributions	96	298	361			357	476	504	531
Goods and services	188 344	121 978	106 048	86 989	138 261	138 260	132 464	139 749	147 295
Administrative fees			3 488		6 943	8 488	7 030	7 416	7 817
Minor assets	7	1		12			10	11	12
Catering: Departmental activities				20			20	21	22
Communication (G&S)	1	1 606		103	103	103	110	116	122
Consultants and professional services: Business and advisory services	26 484	11 880	3 255	22 218	22 218	22 218	23 507	24 800	26 138
Contractors				500	2	2	886	935	985
Agency and support / outsourced services	66	529		250	100	100	300	317	334

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Fleet services (including government motor transport)				54	54	54	60	63	66
Inventory: Learner and teacher support material	161 445	106 904	62 179	62 099	64 661	63 115	58 671	61 898	65 241
Inventory: Other supplies									
Consumable supplies	13	19	26	11	10	10	14	15	16
Consumable: Stationery, printing and office supplies	123	136	214	294	289	289	315	332	350
Operating leases		83		84			80	84	89
Property payments	145	398	72		4 665	4 665			
Travel and subsistence		422	428	744	744	744	565	596	628
Operating payments	60		590	600	600	600	827	872	919
Transfers and subsidies	194 469	178 490	150 840	202 971	152 399	152 409	174 675	184 282	194 233
Non-profit institutions	194 264	178 485	150 840	202 971	152 399	152 399	174 675	184 282	194 233
Households	205	5				10			
Social benefits	205	5				10			
Payments for capital assets	141	177	188	850	150	150	539	569	600
Machinery and equipment	141	177	188	850	150	150	539	569	600
Other machinery and equipment	141	177	188	850	150	150	539	569	600
Payments for financial assets									
Total economic classification	705 735	663 783	673 411	809 855	809 855	809 855	856 825	903 950	957 775

TABLE 5.29: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	719 211	420 348	287 596	286 896	286 896	370 386	257 196	274 888	315 282
Compensation of employees		34 119	26 462	39 867	37 907	37 294	43 319	46 374	49 650
Salaries and wages		32 783	23 851	39 867	35 007	34 226	40 014	42 877	45 961
Social contributions		1 336	2 611		2 900	3 068	3 305	3 497	3 689
Goods and services	719 211	386 229	261 134	247 029	248 989	333 092	213 877	228 514	265 632
Advertising		141	70						
Communication (G&S)									
Legal services	365								
Contractors		1 667	655		309	758			
Agency and support / outsourced services	59								
Inventory: Other supplies	161 225	92 926	86 538						
Property payments	557 562	290 781	172 136	247 029	247 029	330 313	211 996	226 524	263 533
Travel and subsistence		714	1 523		1 650	2 020	1 880	1 989	2 098
Operating payments			206						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transfers and subsidies			50			77			
Payments for capital assets	2 076 832	2 430 580	1 689 014	1 409 241	1 409 241	1 325 674	1 692 340	1 261 510	1 494 225
Buildings and other fixed structures	2 067 333	2 407 325	1 674 332	1 392 059	1 372 257	1 288 690	1 686 472	1 253 595	1 483 849
Buildings	2 067 333	2 407 325	1 674 332	1 392 059	1 372 257	1 288 690	1 686 472	1 253 595	1 483 849
Machinery and equipment		45	476						
Other machinery and equipment		45	476						
Land and sub-soil assets	9 499	23 210	14 206	17 182	36 984	36 984	5 868	7 915	10 376
Software and other intangible assets									
Payments for financial assets									
Total economic classification	2 796 043	2 850 928	1 976 660	1 696 137	1 696 137	1 696 137	1 949 536	1 536 398	1 809 507

TABLE 5.30: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXAMINATION AND EDUCATION RELATED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	756 218	767 185	718 472	926 671	881 327	873 796	995 884	1 045 303	1 109 174
Compensation of employees	422 464	455 171	399 437	447 539	399 212	399 181	421 220	439 034	462 742
Salaries and wages	420 329	451 547	396 923	447 539	399 212	398 491	421 220	439 034	462 742
Social contributions	2 135	3 624	2 514			690			
Goods and services	333 754	312 014	319 035	479 132	482 115	474 615	574 664	606 269	646 432
Administrative fees	14 482	5 684	4 353	3 584	3 641	4 691	3 629	3 828	4 034
Advertising	22 384	5 901	4 162	4 755	6 223	6 223	5 320	5 612	5 915
Minor assets	734	319	223	1 198	436	436	1 181	1 246	1 313
Bursaries: Employees			1 514	5 000	394	394	5 000	5 275	5 560
Catering: Departmental activities	6 777	3 951	301	2 189	4 059	4 059	5 584	5 892	6 211
Communication (G&S)	4 351	4 301	4 321	11 485	7 929	7 929	8 265	8 720	9 191
Computer services	2 707	1 845	1 655	10 502	18 178	13 581	20 028	21 129	22 270
Consultants and professional services: Business and advisory services	4 989		13		5 807	5 807	6 144	6 482	6 832
Contractors	4 076	546	1 017	3 541	18 880	18 880	2 574	2 715	2 864
Agency and support / outsourced services	37 972	13 663	1 634	33 342	9 260	8 202	19 093	20 143	21 231
Fleet services (including government motor transport)	2 901	3 359	2 176	12 031	13 829	13 829	15 361	16 205	17 080
Inventory: Learner and teacher support material	28 079	26 382	5 977	34 763	19 867	15 367	13 376	14 111	14 873
Inventory: Other supplies	3 608	427		150	150	150			
Consumable supplies	1 990	3 390	2 232	39 390	3 166	3 166	38 243	40 345	42 524
Consumable: Stationery, printin	9 526	10 444	9 156	13 848	11 815	11 815	14 756	15 567	16 408

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
g and office supplies									
Operating leases	15 429	16 843	16 263	21 087	22 304	22 304	23 692	24 996	26 346
Property payments	1 621	1 056	443						
Transport provided: Departmental activity	6 026	6 502	1 078	3 246	3 518	3 518	3 866	4 079	4 299
Travel and subsistence	60 225	72 320	85 551	79 498	99 868	101 462	105 643	111 455	117 471
Training and development	36 074	59 651	125 461	93 914	122 435	123 307	167 440	176 649	186 188
Operating payments	57 126	54 486	39 734	86 709	87 668	86 796	89 835	94 777	107 319
Venues and facilities	12 674	20 928	11 771	18 900	22 391	22 391	25 634	27 043	28 503
Rental and hiring	3	16			297	308			
Interest and rent on land									
Interest									
Transfers and subsidies	394 819	366 822	287 271	482 147	400 675	400 706	391 709	415 556	442 555
Departmental agencies and accounts	75 345	79 350	84 639	95 072	95 317	95 317	105 143	113 229	123 902
Provide list of entities receiving transfers	75 345	79 350	84 639	95 072	95 317	95 317	105 143	113 229	123 902
Non-profit institutions	102 865	51 335	18 143	125 204	8 985	8 985	9 506	10 029	10 571
Households	216 609	236 137	184 489	261 871	296 373	296 404	277 060	292 298	308 082
Social benefits	107	327	121			31			
Other transfers to households	216 502	235 810	184 368	261 871	296 373	296 373	277 060	292 298	308 082
Payments for capital assets	39 627	76 370	76 570	94 661	129 617	129 617	127 797	134 827	142 108
Machinery and equipment	39 477	76 370	76 570	94 661	129 617	129 617	127 797	134 827	142 108
Transport equipment		7							
Other machinery and equipment	39 477	76 363	76 570	94 661	129 617	129 617	127 797	134 827	142 108
Software and other intangible assets	150								
Payments for financial assets			21 741						
Total economic classification	1 190 664	1 210 377	1 104 054	1 503 479	1 411 619	1 404 119	1 515 390	1 595 686	1 693 837

TABLE 5.31: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EDUCATION INFRASTRUCTURE GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments		35 351	201 037	30 000	30 000	30 000	257 196	274 888	315 282
Goods and services		1 269	174 575				213 877	228 514	265 632
Advertising		141	70						
Communication (G&S)									
Contractors		21	654						
Inventory: Other supplies		393							
Operating leases									
Property payments			172 116				211 996	226 524	263 533
Travel and subsistence			1 523				1 880	1 989	2 098
Transfers and subsidies			50						

Payments for capital assets	1 349 744	1 350 338	1 267 059	1 343 073	1 343 073	1 343 073	1 217 519	1 165 281	1 236 219
Buildings and other fixed structures	1 349 744	1 350 293	1 252 377	1 343 073	1 343 073	1 343 073	1 211 651	1 157 366	1 225 843
Buildings	1 349 744		1 252 377	1 343 073	1 343 073	1 343 073	1 211 651	1 157 366	1 225 843
Other fixed structures		1 350 293							
Machinery and equipment		45	476						
Transport equipment									
Other machinery and equipment		45	476						
Land and sub-soil assets			14 206				5 868	7 915	10 376
Software and other intangible assets									
Payments for financial assets									
Total economic classification	1 349 744	1 385 689	1 468 146	1 373 073	1 373 073	1 373 073	1 474 715	1 440 169	1 551 501

TABLE 5.32: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HIV & AIDS (LIFE SKILLS EDUCATION) GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	20 047	32 399	34 434	29 959	29 959	29 959	37 907	39 869	42 062
Compensation of employees	2 555	1 980	2 497	2 425	2 425	2 425	2 566	2 707	2 856
Salaries and wages	2 316	1 786	2 322	2 425	2 425	2 425	2 566	2 707	2 856
Social contributions	239	194	175						
Goods and services	17 492	30 419	31 937	27 534	27 534	27 534	35 341	37 162	39 206
Administrative fees			435	139	139	139	174	184	194
Advertising	126	292		250	250	250	250	264	278
Minor assets		4							
Catering: Departmental activities	451	1 144	1 937	1 459	1 459	1 459	2 100	2 092	2 207
Communication (G&S)	20	16							
Agency and support / outsourced services	954	2 287	844	2 150	2 150	2 150	2 350	2 479	2 615
Fleet services (including government motor transport)				170	170	170	170	179	189
Inventory: Learner and teacher support material	5 891	13 185	4 063	6 997	6 997	6 997	8 500	8 968	9 463
Inventory: Other supplies									
Consumable supplies	169	155	65	350	350	350	350	369	390
Consumable: Stationery, printing and office supplies	367	1 033	321	1 231	1 231	1 231	1 431	1 510	1 593
Operating leases	13			120	120	120	149	157	166
Transport provided: Departmental activity	1 042	1 527	1 170	2 100	2 100	2 100	2 400	2 532	2 670
Travel and subsistence	4 233	3 345	1 488	2 300	2 300	2 300	4 700	4 959	5 231
Training and development	3 155	5 165	18 240	7 868	7 868	7 868	9 968	10 516	11 095
Operating payments	4	2	421						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Venues and facilities	322	2 264	10	1 600	1 600	1 600	1 899	2 003	2 113
Rental and hiring	745		2 943	800	800	800	900	950	1 002
Transfers and subsidies	8 000	23		6 000	6 000	6 000			
Non-profit institutions	8 000			6 000	6 000	6 000			
Households		23							
Social benefits		23							
Payments for capital assets	149	26	2						
Machinery and equipment	149	26	2						
Transport equipment	149								
Other machinery and equipment		26	2						
Payments for financial assets									
Total economic classification	28 196	32 448	34 436	35 959	35 959	35 959	37 907	39 869	42 062

TABLE 5.33: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: NATIONAL SCHOOL NUTRION GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	594 138	605 062	647 659	634 359	650 331	650 331	686 765	721 948	761 659
Compensation of employees			2 038	5 208	5 208	5 208	5 768	5 703	6 017
Salaries and wages				5 208	5 208	5 208	5 745	5 703	6 017
Social contributions			2 038				23		
Goods and services	594 138	605 062	645 621	629 151	645 123	645 123	680 997	716 245	755 642
Advertising		237	320	440	440	440	750	803	848
Catering: Departmental activities	39	19	25	20	20	20	163	153	162
Communication (G&S)			27	68	68	68	60	64	67
Legal services	85								
Agency and support / outsourced services	592 722	603 497	639 975	613 606	629 578	629 578	629 989	662 471	698 907
Fleet services (including government motor transport)	11	39	586	85	85	85	220	107	113
Inventory: Learner and teacher support material	968								
Inventory: Other supplies			3 729				29 000	30 799	32 493
Consumable supplies		5		13 530	13 530	13 530	15 530	16 633	17 548
Consumable: Stationery, printing and office supplies		155	97	132	132	132	325	203	215
Operating leases	48	463		600	600	600		()	
Property payments	41						3 500	3 749	3 955
Transport provided: Departmental activity	141								
Travel and subsistence			13	40	40	40	400	428	452

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Training and development				190	190	190		()	
Operating payments		178	150	400	400	400	400	428	452
Venues and facilities	83	469	664	20	20	20	630	375	396
Transfers and subsidies	84 489	100 861	109 879	162 807	162 807	162 807	161 817	173 307	182 838
Non-profit institutions	84 489	100 861	109 879	162 807	162 807	162 807	161 817	173 307	182 838
Payments for capital assets		222		10 288	10 288	10 288	493	520	545
Machinery and equipment		222		10 288	10 288	10 288	493	520	545
Transport equipment									
Other machinery and equipment		222		10 288	10 288	10 288	493	520	545
Payments for financial assets									
Total economic classification	678 627	706 145	757 538	807 454	823 426	823 426	849 075	895 774	945 042

TABLE 5.34: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MATHS, SCIENCE AND TECHNOLOGY GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments			50 214	45 624	45 624	45 624	56 042	58 483	61 638
Compensation of employees				227	227	227	246	257	271
Salaries and wages				227	227	227	246	257	271
Social contributions									
Goods and services			50 214	45 397	45 397	45 397	55 796	58 226	61 367
Administrative fees			3 370	4 826	4 826	4 826	4 300	4 485	4 669
Minor assets				5	5	5			
Communication (G&S)				5	5	5	6	6	7
Inventory: Learner and teacher support material			27 745	40 277	40 277	40 277	51 322	53 528	56 474
Travel and subsistence				90	90	90	108	144	152
Training and development			13 641	194	194	194			
Transfers and subsidies	47 842	49 810		7 428	7 428	7 428			
Non-profit institutions	47 842	49 810		7 428	7 428	7 428			
Payments for capital assets				10	10	10		()	
Machinery and equipment				10	10	10		()	
Transport equipment									
Other machinery and equipment				10	10	10		()	
Payments for financial assets									
Total economic classification	47 842	49 810	50 214	53 062	53 062	53 062	56 042	58 483	61 638

TABLE 5.35: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LEARNERS WITH PROFOUND INTELLECTUAL DISABILITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments			11 029	25 751	25 751	25 751	31 259	33 715	35 569
Compensation of employees			2 637	17 090	17 090	17 090	20 318	21 495	22 678
Salaries and wages			2 598	17 090	17 090	17 090	20 318	21 495	22 678
Social contributions			39						
Goods and services			8 392	8 661	8 661	8 661	10 941	12 220	12 891
Communication (G&S)			170	793	793	793	510	538	568
Fleet services (including government motor transport)				800	800	800	410	433	457
Inventory: Learner and teacher support material			5 466	3 490	3 490	3 490	6 089	7 099	7 489
Consumable supplies			74	10	10	10	30	32	33
Consumable: Stationery, printing and office supplies			536	670	670	670	686	724	764
Operating leases			450	1 180	1 180	1 180	1 090	1 150	1 213
Travel and subsistence				350	350	350	200	211	223
Training and development			1 696	1 368	1 368	1 368	1 563	1 649	1 740
Transfers and subsidies									
Payments for capital assets			659	700	700	700			
Machinery and equipment			659	700	700	700			
Transport equipment									
Other machinery and equipment			659	700	700	700			
Payments for financial assets									
Total economic classification			11 688	26 451	26 451	26 451	31 259	33 715	35 569

TABLE 5.36: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EPWP INTEGRATED GRANT FOR PROVINCES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	2 409	918	2 537	2 480	2 480	2 480	2 985		
Compensation of employees	2 409	918	2 537	2 480	2 480	2 480	2 985		
Salaries and wages	2 409	918	2 537	2 480	2 480	2 480	2 985		
Social contributions									
Goods and services									
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	2 409	918	2 537	2 480	2 480	2 480	2 985		

TABLE 5.37: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	44 784	28 661	9 791	8 375	8 375	8 375	2 089		
Compensation of employees	44 784	28 661	9 791	8 375	8 375	8 375	2 089		
Salaries and wages	44 336	28 661	9 791	8 375	8 375	8 375	2 089		
Social contributions	448								
Goods and services									
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	44 784	28 661	9 791	8 375	8 375	8 375	2 089		

VOTE 6

DEPARTMENT OF SOCIAL DEVELOPMENT

To be appropriated by vote in 2019/20	R 5 516 852 000
Responsible MEC	MEC for Social Development
Administering Department	Department of Social Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

A caring and self-reliant society.

Mission

To transform our society by building conscious and capable citizens through the provision of integrated social development services.

Strategic goals

- To provide support to core business in rendering effective and efficient services through 21 365 beneficiaries by the 2019/20 financial year;
- Efficient and effective integrated developmental social welfare services to 7 522 198 social service recipients focussing on children, youth, older persons, persons with disabilities and women by the 2019/20 financial year; and
- Efficient, effective anti-poverty community interventions, youth development and women empowerment services to 5 202 971 beneficiaries promoting sustainable livelihoods by the 2019/20 financial year.

Core functions and responsibilities

- Rendering management and administration to the network of social development services within Gauteng;
- Provision, in partnership with relevant stakeholders, of prevention, early intervention, rehabilitation and after care services to people abusing substances. This also includes services rendered in in-patient and out-patient treatment centres;
- Provision of community and home-based care, residential and all other protection services for vulnerable older persons at risk, and people with disabilities;
- Provision of secure care facilities, home based services, as well as assessment and referral services for children found to be in conflict with the law;
- Provision of services for children through the construction and funding of Early Childhood Development (ECD) facilities throughout the province;
- Provision of child care and protection services and implementation of the Children's Act;
- Provision of shelters and counselling services for women and children who are victims of domestic violence and abuse;
- Provision, through home and community-based care (HCBC) centres, of psycho-social support services to people who are infected and affected by HIV and AIDS, especially orphans and vulnerable children;
- Provision of reunification and preservation services for families; and
- Provision of youth development and sustainable livelihood services to poor households through the implementation of the War on Poverty (WoP) Programme.

Main services

- Reforming the welfare sector through legislative and policy reforms: the department seek to expand services by ensuring adequate numbers and training of social service professionals, as well as by review of funding models and the roles assigned to Non-Profit Organisations (NPOs);
- Improving access to quality ECD through the provision of comprehensive ECD services as an instrument to undertake investment in health, development of capabilities, and mitigation of vulnerabilities, as well as to serve as the building blocks for future resilience. Effective ECD is also critical in ensuring equitable participation of women in the labour force and securing the productive and social life of communities;
- Deepening social assistance and extending the scope for social security to address issues of coverage while defining policies that create a social protection floor that provides a minimum set of guarantees coupled with a framework of progressive realisation of rights;
- Enhancing the capabilities of the identified groups and communities to achieve sustainable livelihoods and household food and nutrition security through a combination of income, direct provision and support to local economies through local procurement; and
- Establishing social protection systems and strengthening of monitoring and evaluation of services to ensure that our interventions are responsive and yield sustainable outcomes.

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation

The department's response to Pillar 3: Accelerated Social Transformation includes:

- Reforming the welfare sector through transformation of services in previously advantaged communities and NPOs for inclusion of vulnerable groups;
- Modernising its services through the introduction of the National Integrated Social Information System (NISIS) for household profiling and the Supatsela Information Technology system for NPO payment, social work services case management and re-industrialisation (production of school uniforms, gardening and laundry service by cooperatives);
- Improving access to quality ECD provided primarily by the social cluster that are critical components of the Millennium Development Goals (MDGs) in terms of universal access to education. In this regard, the department will ensure the design of child-friendly and child-responsive human settlements in the province's urban development planning processes by including critical social infrastructure such as ECD facilities. The department will expand the rollout of ECD prototypes in the poorest communities, providing non-centre based ECD (mobile ECDs, toy libraries, play groups and child minders);
- Combating substance abuse and gender-based violence and ensuring the integration of interventions with the programmes of the Gauteng Department of Community Safety;
- Expanding the WoP programme to ensure a comprehensive profiling of all households situated within the 50 poorest wards and fighting urban poverty through the food security programmes. The department will also increase the scale of operations to include Coloured and Indian communities by partnering with Community Development Workers (CDWs), municipal street workers and community health-care workers in profiling households; and
- Upscaling the Welfare to Work programme by making extensive use of the co-operative model and Expanded Public Works Programme (EPWP) opportunities (including the Lulaway Project and the Tshepo 1 Million Programme).

National Development Plan (NDP)

The department aligned its plans and policies to the NDP 2030, in terms of the eradication of poverty and addressing inequality through inclusive social dialogue and an active and engaged citizenry. The department's interventions are concentrated in the area of expanded social protection (including social insurance, social assistance, social and productive inclusion), contributing to the improvement of the quality of life for the poor, the marginalised, the vulnerable and those with special needs.

Acts, rules and regulations

- Gauteng AIDS Strategic Plan for HIV, TB and STIs for 2017-2022;
- National Strategic Plan (NSP) for HIV, TB and STIs, 2017-2022;
- National Early Childhood Development Policy 2015;
- The United Kingdom International Development (Gender Equality) Act 2014;
- Broad-Based Black Economic Empowerment Act, No. 46 of 2013;
- Basic Conditions of Employment Amendment Act, No. 20 of 2013;
- Prevention and Combating of Trafficking in Persons Act, No. 7 of 2013;
- Cooperatives Amendment Act, No. 6 of 2013;
- Protection of Personal Information Act, No. 4 of 2013;
- White Paper on Families, 2013;
- Child Justice Act, No. 75 of 2008;
- Prevention of and Treatment for Substance Abuse Act, No. 70 of 2008;
- Criminal Law (Sexual Offences and Related Matters) Amendment Act, No. 32 of 2007;
- Older Persons Act, No. 13 of 2006;

- Children's Act, No. 38 of 2005 as amended;
- South African Social Security Agency Act, No. 9 of 2004;
- Advisory Board on Social Development Act, No. 3 of 2001;
- Public Finance Management Act, No. 1 of 1999;
- Domestic Violence Act, No. 116 of 1998;
- Maintenance Act, No. 99 of 1998;
- Welfare Laws Amendment Act, No. 106 of 1997;
- Non-Profit Organisations Act, No. 71 of 1997;
- White Paper for Social Welfare 1997;
- The Constitution of the Republic of South Africa Act, No. 108 of 1996;
- Prevention and Treatment of Drug Dependency Act, No. 20 of 1992;
- Probation Service Act, No. 116 of 1991;
- Adoption Matters Amendment Act, No. 56 of 1988;
- Mediation in Certain Divorce Matters Act, No. 24 of 1987;
- Social Service Professions Act, No. 110 of 1978;
- National Welfare Act, No. 100 of 1978;
- Criminal Procedures Act, No. 51 of 1971;
- Gauteng Strategic Policy Framework on Gender Equality and Women Empowerment;
- Gauteng Provincial Government Strategic Policy Framework on Disability Rights;
- Policy on Residential Facilities for Persons with Disabilities;
- Minimum Standards on Residential Facilities for Persons with Disabilities;
- Policy on the Management and Transformation of Protective Workshops;
- South African Policy for Older Persons;
- Protocol on Management of Elder Abuse; and
- South African Older Persons' Charter and the United Nations Convention for the Rights of Older Persons.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

Pillar 3: Accelerated social transformation

Output 1: Services to Older Persons

At the end of the third quarter of the 2018/19 financial year, 20 331 older persons against a target of 23 977 were reached through services provided by funded community-based care and support facilities (inclusive of service centres, luncheon clubs and home-based care facilities) for older persons. In addition, 27 815 older persons participated in active-ageing programmes provided by both government and NPOs against the annual target of 28 919.

A total of 26 facilities for older persons were provided with gym equipment as planned, which benefited 2 189 older persons against a target of 1 670. Furthermore, 38 754 people against an annual target of 37 190 were reached through the elder abuse prevention programmes throughout the province.

Output 2: Services to Persons with Disabilities

A total of 2 048 persons with disabilities accessed services in residential facilities at the end of the third quarter against the target of 2 050. Seventy-eight companies owned by persons with disabilities benefitted from the preferential procurement initiative. The target was 108. In addition, 4 477 persons with disabilities accessed services in protective workshops managed by funded NPOs against the set target of 4 672. A total of 46 186 beneficiaries were reached through disability-prevention programmes, thus exceeding the target of 50 221 beneficiaries.

Output 3: HIV and AIDS

By the end of the third quarter of the 2018/19 financial year, 39 716 vulnerable households and 100 188 beneficiaries received psychosocial support services exceeding the annual targets of 37 335 and 86 519, respectively. A total of 6 867 work opportunities out of a target of 7 086 were created in Home and Community-Based Care through the EPWP.

Food parcels were provided to 56 404 out of 99 100 targeted beneficiaries in Home and Community-Based Care (HCBC) organisations and 37 035 beneficiaries received daily meals at drop-in centres which exceeded a target of 35 517.

Isibindi

Furthermore, 19 042 children accessed services through the Isibindi Model falling slightly short from the set target of 19 172.

Output 4: Integrated Child Care and Protection Services**Access to Child and Youth Care Centres (CYCCs)**

At the end of the third quarter, 4 636 children accessed services through 110 CYCCs against the set targets of 111 CYCCs and 4 802 beneficiaries.

Foster Care

A total of 3 893 children were newly placed in foster care whereas 43 368 children placed in foster care received social work services. 85 604 children in need of care and protection received psychosocial support services by the end of the third quarter.

The Bana Pele Programme

The department facilitates a basket of services to children in collaboration with key stakeholders. At the school level, the services consist of provision of school uniforms, scholar transport, no-fee paying schools, free health care as well as Dignity Packs. The latter is designed to target boys, girls and children with albinism.

School Uniform

Distribution of the school uniform pack is only planned for the fourth quarter of the financial year, however, a total of 10 897 packs were distributed during the first and second quarter as a shortfall from the previous financial year whereby some learners could not be reached at the time.

Dignity Packs

At the end of the third quarter, 51 921 children received the Dignity Packs from the department which is significantly lower than the annual target. Performance was affected by the review of the funding model as a result of the National Treasury Classification Circular 21 of 2018 and the Fraud Detection Review (FDR). There were also delays with the conclusion of Supply Chain Management (SCM) processes that has affected the distribution of Dignity Packs. As a mitigation plan, the department fast tracked the conclusion of SCM processes and the awarding of contracts to suppliers commenced in December 2018.

Food Security

By the end of the third quarter, 56 404 food parcels were issued by HCBC organisations and 8 925 people received food from the department's centre-based feeding programmes, while 15 513 households accessed food through the food security programmes. The provisioning of food parcels by food banks to HCBC sites, households and other beneficiaries was suspended due to the National Treasury classification circular 21 of 2018 and Fraud Detection Review. The distribution of parcels by food banks was affected by delay in the signing of SLAs. More HCBC sites are expected to distribute food parcels in the fourth quarter in line with the Food Bank Catch-Up Plan developed.

Output 5: Early Childhood Development (ECD)

102 148 children accessed funded ECD programmes at the end of the third quarter against the annual target of 107 358. Furthermore, 1 254 partial-care sites were registered against the target of 2 262 and 1 902 children were reached through non-centre based services against the set target of 3 168. The performance is due to implication of the National Treasury Classification Circular 21 of 2018 and some non-centre based sites could not be funded as they do not meet the funding requirements. In mitigating the underperformance, the department is considering alternative measures such as playgroup and day mothers programme to increase access to the service.

Output 6: Crime Prevention and Support

The department rendered social crime awareness and prevention programmes reaching 243 430 beneficiaries (including children) by the end of the third quarter against the annual target of 231 644. The department manages two secure care centres (CYCCs) and NPOs manage one secure care centre as planned. 362 children against a target of 560 benefited from these secure care centres. A further 1 048 children in conflict with the law participated in diversion programmes and 433 children completed the diversion programme from respective targets of 3 009 and 1 611.

Output 7: Victim Empowerment Services (VEP)

At the end of the third quarter of 2018/19 financial year, the department reached 1 527 victims of crime and violence through services rendered at 22 shelters managed by funded NPOs. 274 255 beneficiaries were reached through the programme of no-violence against women and children, including 16 Days of Activism and exceeded the planned target of 212 698. 34 355 victims of crime accessed the Victim Empowerment Programme (VEP) services through 53 NPOs funded by the department.

Output 8: Substance Abuse Prevention, Treatment and Rehabilitation

As reported at the end of the third quarter, the department reached out to 21 940 service users who accessed funded substance abuse treatment centres and community based services. 615 025 children and youth were reached through Ke-Moja Drug Prevention programmes. The annual target of 714 868 was exceeded. 473 199 people benefitted from the substance abuse prevention programmes. Aftercare programmes were provided to 6 773 persons who received assistance from substance abuse treatment centres. 630 beneficiaries were counselled through the mobile counselling service busses at the end of the third quarter exceeding the annual target of 1 032.

Output 9: Community development through sustainable livelihoods strategies**Ward-based model**

The department approved a ward-based model to coordinate and align programmes that maximise impact, avoid wastage as well as duplication in the delivery of services to communities and households.

War on Poverty

The department provides food parcels and food relief as part of War on Poverty initiative and 45 051 people were issued with food relief through food banks against the planned annual target of 248 000. The provisioning of food parcels by food banks to HCBC sites, households and other beneficiaries was suspended due to the National Treasury classification circular 21 of 2018 and Fraud Detection Review. The distribution of parcels by food banks was affected by a delay in the signing of SLAs. More HCBC sites are expected to distribute food parcels in the fourth quarter in line with the Food Bank Catch-Up Plan developed.

A total of 42 031 people participated in income-generating programmes.

Output 10: Youth Development

By the end of the third quarter of 2018/19 financial year, 11 928 youth participated in entrepreneurship programmes and 38 205 youth participated in skills development programmes delivered by funded NPOs. In addition, a total of 100 864 youth participated in social change programmes against the target of 96 096.

Output 11: Women Development

A total of 3 314 women-on-child support grants were linked to economic opportunities and 13 694 women participated in empowerment programmes by the end of the third quarter.

Output 12: Sustainable employment creation**Expanded Public Works Programme**

By the end of the third quarter of 2018/19 financial year, 6 867 job opportunities were created through the EPWP within the HCBC programme.

Support to Cooperatives

The department planned to continue to empower 587 cooperatives to provide goods and services to the department and other service users; however, 57 cooperatives were empowered by the department as at the end of the third quarter of the 2018/19 financial year. Performance was affected by the review of the programmes supporting the cooperatives as result of the National Treasury Classification Circular 21 of 2018 and Fraud Detection Review. The review of the programme has been concluded, and services from cooperatives will be sourced through SCM and the procurement processes are underway.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)**Pillar 3: Accelerated social transformation**

The department will continue to contribute to addressing the challenges of unemployment, poverty and inequality in response to Pillar 3: Accelerated Social Transformation.

Output 1: Services to Older Persons

The department plans to fund 270 community-based care and support facilities, inclusive of service centres, luncheon clubs and home-based care facilities, for older persons and to provide access to 24 407 older persons in the 2019/20 financial year. It is also planned that 19 575 older persons will participate in active-ageing programmes activities.

Output 2: Services to Persons with Disabilities

In the 2019/20 financial year, the department plans to support 114 companies owned by persons with disabilities through preferential procurement spend, support 118 NPOs providing services for persons with disabilities, and ensure that 4 426 persons with disabilities access services in funded protective workshops managed by NPOs. Furthermore, 57 024 beneficiaries will be reached through disability prevention programmes.

Output 3: HIV and AIDS

The department continues to fund 258 NPOs delivering HIV and AIDS services, and reach out to 92 301 beneficiaries receiving psychosocial support services from HCBC organisations in the 2019/20 financial year. The department will further ensure that 39 289 vulnerable households receive psychosocial support services, 113 080 beneficiaries receive food parcels from HCBC organisations and 35 850 beneficiaries receive daily meals.

Isibindi

The department will continue to provide support to the Child and Youth Care Workers (CYCWs) by training 600 community-based child and youth care trainees on NQF level 4. A total of 19 431 beneficiaries will be reached through community-based prevention and early intervention programmes.

Output 4: Integrated Child Care and Protection services**Foster care**

In the 2019/20 financial year, the department will ensure that 5 241 children are placed in foster care. 55 704 children will be placed in foster care who receive social work services and 82 924 children in need of care and protection will be provided with psycho-social support services.

Access to child and youth care centres

The department plans to fund 118 CYCCs (childrens' homes, shelters, places of safety and schools of industry) managed by government and NPOs and to provide access to 4 779 children in the 2019/20 financial year.

Bana Pele Programme**School uniform**

The department plans to expand the provision of school uniform packs to a total of 311 178 learners in the 2019/20 financial year.

Dignity packs

In the 2019/20 financial year, the department will provide dignity packs to 1 856 000 children.

Output 5: Early childhood development

The department will continue to improve ECD social infrastructure and appropriate programme design focusing on 50 prioritised areas. In the 2019/20 financial year, the department plans to ensure that 107 358 children access ECD services from 1 445 funded partial care sites and to fully register 1 709 ECD centres.

Output 6: Crime prevention and support

The department will continue to strengthen the implementation of the Social Crime Prevention Strategy to reduce the incidence and impact of social crimes in the 2019/20 financial year. This will be done through the expansion of social crime awareness and prevention programmes reaching 249 444 beneficiaries (including children).

Furthermore, 825 children will be provided with access to secure care centres and the department will also ensure that the number of children who participate in diversion programmes reaches 2 504.

Output 7: Integrated victim empowerment services (VEP)

In the 2019/20 financial year, the department continues to fund 85 service sites managed by funded NPOs; 42 262 victims of crime and violence will have access to psycho-social support services. A total of 233 757 beneficiaries will be reached through the programme of no violence against children and women including 16 Days of Activism.

The department will provide support to 1 690 perpetrators who will be participating in Programme for Intimate Partner Violence (PIPV). The programme deals with perpetrators who are referred by the courts, mainly for domestic violence to deal with anger management. After attending the programme, the perpetrators go back to court and produce a certificate that they are rehabilitated.

Output 8: Integrated substance abuse prevention, treatment and rehabilitation

In the 2019/20 financial year, the department plans to fund 71 substance abuse treatment centres managed by government and NPOs; reach out to 27 914 service users accessing treatment centres managed by both government and funded NPOs; and reach 764 771 children and youth through the Ke-Moja Drug Prevention Programme. A further 10 314 beneficiaries of aftercare programmes will receive treatment for substance abuse.

Output 9: Community development services through sustainable livelihoods strategies

The department, in partnership with civil society, continues to assist in setting up community advice centres. Young people will continue to be trained as advice agents to serve the community by giving people easier access to social services.

In the 2019/20 financial year, the department plans to reach 34 315 people through community mobilisation programmes.

War on Poverty

The department continues to make steady progress in the battle to end hunger among households in Gauteng through food banks. It plans to increase the number of food relief issued to people to 248 000, with a total of 70 857 households accessing food through DSD food security programmes in the 2019/20 financial year.

Output 10: Youth Development

In the 2019/20 financial year, the department plans to reach out to 42 731 youth participating in skills development programmes, with 15 644 youth participating in entrepreneurship programmes and 83 285 youth in mobilisation programmes.

The department also plans to support the number of youth participating in learnership programmes to 706, while 356 people participated in internship programmes and 32 bursars will participate in external bursary programmes.

Output 11: Women Development

The department plans to ensure that 3 576 women on child support grants will be linked to economic opportunities in the 2019/20 financial year; and 19 504 women will participate in empowerment programmes.

Output 12: Sustainable employment creation**Expanded Public Works Programme**

The EPWP continues to make an important contribution to sustainable development goals. The department will create a total of 7 086 work opportunities through the EPWP in the 2019/20 financial year.

Support to cooperatives

Social cooperatives are organs of civil society intended to stimulate social cohesion and local economic development among organised communities. In the 2019/20 financial year, the department will continue to empower 236 cooperatives to provide goods and services to the department and other service users.

4. REPRIORITISATION

The department reprioritised the budget from non-profit institutions (NPI) to goods and services and payments for capital assets in compliance with Classification Circular 21 of 2018 that required that certain transfers be re-classified. A total amount of R577.7 million and R613.4 million is reprioritised in 2019/20 and 2020/21 financial years, respectively.

The department also reprioritised funding to ease cost pressure on outsourced services such as security, gardening, cleaning, upgrading of Social Care Solution (Supatsela) and to provide for the rental of a new office building.

5. PROCUREMENT

The department will continue to strengthen supply chain management (SCM) through various interventions such as:

- Continuous training of SCM officials on new frameworks, guidelines and policies;
- Strengthening quarterly SCM forums and quarterly supplier forums;
- Monitoring compliance with legislative requirements;
- Implementing open tender processes;
- Empowering cooperatives and township suppliers to participate in the departmental procurement opportunities; and
- Capacitation of the SCM following the implementation of Classification Circular 21 of 2018 which requires additional procurement of goods and services.

Some of the major procurement to be undertaken by the department over the 2019 MTEF relates to the following:

- Provision of security, cleaning and gardening services at head office, regions, service points and institutions;
- Provision of catering and laundry services for beneficiaries at the institutions;
- Improvement of information technology infrastructure;
- Continued implementation of the Township Economy Revitalisation Strategy;
- Continued training of departmental staff; and
- Provision of goods and services following the implementation of Classification Circular 21 of 2018, namely :
 - Food parcels to vulnerable communities;
 - Dignity Packs to vulnerable children in identified schools including learners with albinism;
 - Manufacturing and supply of school uniform to learners in identified schools;
 - Security services at prototype facilities;
 - Gym equipment for active ageing programmes;
 - Maintenance services for ECD facilities, shelters for women and residential facilities;
 - First aid equipment for luncheon clubs;
 - Training of child and youth care workers, ECD practitioners and parents on fatherhood and parenting; and
 - Quality assurance and mentorship of diversion programme.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 6.1: SUMMARY OF RECEIPTS: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	3 978 354	4 258 494	4 533 993	4 914 578	4 940 512	4 940 512	5 425 591	5 735 201	6 171 857
Conditional grants	18 785	13 108	52 326	68 917	68 917	68 917	91 261	72 658	76 655
Early Childhood Development Grant			38 489	62 777	62 777	62 777	68 097	72 658	76 655
Social Worker Employment Grant			2 453	2 655	2 655	2 655			
EPWP Intergrated Grant	2 000		2 000	2 000	2 000	2 000			
Social Sector EPWP Incentive Grant	16 785	13 108	9 384	1 485	1 485	1 485	23 164		
Total receipts	3 997 139	4 271 602	4 586 319	4 983 495	5 009 429	5 009 429	5 516 852	5 807 859	6 248 512

The total budget increased from R3.9 billion in the 2015/16 financial year to R4.6 billion in the 2017/18 financial year. The increase is attributable to the expansion of nutrition services and school uniform programmes that is part of community based services rendered to children. The growth in the budget is also due to the expansion of access to non-centre based ECD services such as toy libraries, mobile Early Childhood Development Centres (ECDCs) and mobile toy libraries in an effort to reach more beneficiaries. Furthermore, the budget allocated to social infrastructure was increased to cover expenditure on projects that were ready for implementation.

In the 2018/19 financial year, the budget increased by R25.9 million to R5 billion for the execution of planned and emergency maintenance of the buildings. The department also reclassified the budget in accordance with the provisions of the Classification Circular 21 of 2018. The projects and programmes affected by the implementation of Classification Circular 21 of 2018 includes the distribution of Dignity Packs, food parcels, school uniform, the provision of training, the renovation of institutions and the procurement of gym equipment.

Over the 2019 MTEF, the budget increases from R5.5 billion in 2019/20 to R6.2 billion in 2021/22 financial year due to additional funding allocated to priority areas and inflationary related growth.

The Early Childhood Development Grant allocation increases from R68 million in 2019/20 to R76.7 million in 2021/22 and is for, among others, the provision of ECD subsidies, the training of ECD practitioners, the renovation of ECDCs and the expansion of nutrition services to beneficiaries. The Social Worker Employment grant is converted to equitable share over the 2019 MTEF.

The department receives R23.2 million in the 2019/20 financial year for the Social Sector EPWP Incentive Grant to create work opportunities for the unemployed in the communities and to equip them with the skills to be financially independent.

Over the 2019 MTEF, a total additional amount of R712.9 million is allocated for among others, the absorption of social work graduates, Dignity Packs, infrastructure, the filling of critical posts, including the relevant tools of trade and the management of contracts pertaining to food relief.

6.2 Departmental receipts

TABLE 6.2: SUMMARY OF DEPARTMENTAL RECEIPTS: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	2 589	2 712	2 891	2 798	2 798	2 798	2 956	3 118	3 289
Transfers received									
Fines, penalties and forfeits						2			
Interest, dividends and rent on land	69	40	58	28	28	34	29	31	33
Sales of capital assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transactions in financial assets and liabilities	1 318	1 515	8 458	583	583	1 071	616	650	686
Total departmental receipts	3 976	4 267	11 407	3 409	3 409	3 905	3 601	3 799	4 008

The departmental revenue increased from R3.9 million in the 2015/16 financial year to R11.4 million in the 2017/18 financial year. This increase in revenue relates to an increase in the recovery of previous years' expenditure. This huge increase in the 2017/18 revenue collection was due to a project that was funded by the department and some technical issues. Thus, the project could not be implemented and the department had to recover the unutilised funds from the funded NPO.

Over the 2019 Medium Term Revenue Framework (MTRF), revenue is estimated to increase from R3.6 million in the 2019/20 financial year to R4 million in the 2021/22 financial year, increasing by an annual average growth of 5 per cent. The revenue increase is attributable to the inflationary effects while the departmental revenue sources have not changed.

The significant part of revenue collection in the 2018/19 financial year emanates from sales of goods and services other than capital assets. This revenue source includes garnishee orders, parking fees collected from employees, and boarding fees from officials who occupy official residences at the departmental institutions.

7. PAYMENT SUMMARY

7.1 Key assumptions

The key assumptions amongst others, were considered when formulating the budget over the 2019 medium term:

- Ten Pillar Programme;
- Absorption of social work graduates over the 2019 MTEF;
- Filling of critical posts;
- Improvement in conditions of service;
- Establishment of centres of excellence (skills development centres);
- Integrated substance abuse intervention across the province;
- The cost of outsourced services and the annual increase on existing contracts;
- Expansion of ECD centres and home-based care services;
- Expansion of provision of dignity packs, school uniforms and food parcels;
- Continued services to children in conflict with the law and poverty alleviation programmes;
- Implementation of social infrastructure projects and continued implementation of Welfare to Work programme; and
- Projects and programmes identified through the Ntirhisano Community Outreach Programme.

7.2 Programme summary

TABLE 6.3: SUMMARY OF PAYMENTS AND ESTIMATES: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	480 121	531 646	570 432	623 594	650 730	646 641	773 484	824 710	866 962
2. Social Welfare Services	697 285	721 251	753 379	814 123	824 314	825 181	915 374	942 317	995 460
3. Children And Families	1 925 638	2 062 920	2 128 092	2 303 871	2 218 331	2 220 784	2 345 936	2 518 221	2 786 073
4. Restorative Services	407 075	442 299	488 044	619 317	675 193	675 864	734 239	763 211	798 852
5. Development And Research	432 122	493 687	541 913	622 590	640 861	640 959	747 819	759 400	801 165
Total payments and estimates	3 942 241	4 251 803	4 481 860	4 983 495	5 009 429	5 009 429	5 516 852	5 807 859	6 248 512

7.3 Summary of economic classification

TABLE 6.4: SUMMARY OF ECONOMIC CLASSIFICATION: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 674 373	1 805 307	2 502 009	2 084 056	2 690 781	2 690 781	3 028 302	3 193 575	3 551 286
Compensation of employees	1 233 601	1 332 444	1 403 527	1 519 821	1 570 342	1 570 342	1 823 545	1 930 175	2 200 753
Goods and services	440 772	472 863	1 098 482	564 235	1 120 439	1 120 439	1 204 757	1 263 400	1 350 533
Transfers and subsidies to:	2 104 668	2 254 508	1 775 453	2 784 472	2 195 029	2 195 029	2 354 411	2 482 736	2 587 324
Departmental agencies and accounts	67	6 652	2 565	84	116	116	89	94	99
Non-profit institutions	2 095 086	2 237 344	1 760 651	2 774 257	2 184 782	2 184 782	2 346 274	2 474 153	2 577 981
Households	9 515	10 512	12 237	10 131	10 131	10 131	8 048	8 489	9 244
Payments for capital assets	162 734	186 713	204 135	114 967	123 218	123 218	134 139	131 548	109 902
Buildings and other fixed structures	114 154	145 734	144 381	98 859	94 660	94 660	93 458	91 491	70 643
Machinery and equipment	48 533	40 879	59 615	16 108	28 408	28 408	40 531	39 899	39 092
Software and other intangible assets	47	100	139		150	150	150	158	167
Payments for financial assets	466	5 275	263		401	401			
Total economic classification	3 942 241	4 251 803	4 481 860	4 983 495	5 009 429	5 009 429	5 516 852	5 807 859	6 248 512

The total expenditure of the department increased from R3.9 billion in 2015/16 to R4.5 billion in the 2017/18 financial year due to the continuous implementation of social welfare programmes. The department main appropriation for 2018/19 financial year increases by R25.9 million and the additional allocation is mainly for planned and emergency maintenance of buildings. During the 2018/19 adjustment budget period the department reclassified budget from transfers to goods and services and payments for capital assets to comply with Classification Circular 21 of 2018. The department further reprioritised funds from transfers to NPI to ease spending pressures on compensation of employees and to procure tools of trade.

The total budget of the department increases from R5.5 billion in 2019/20 to R6.2 billion in the 2020/21 financial year. The growth in budget is mainly due to inflationary adjustments and the allocation of additional funding. The department is allocated additional funding for infrastructure, the filling of critical posts including the purchasing of tools and trade, social work graduates, the management of food relief contracts and for Dignity Packs.

Compensation of employees increases from R1.8 billion in the 2019/20 financial year to R2.2 billion in the 2021/22 financial year. This budget growth is as a result of the cost of living adjustments to the wage bill the filling of and critical posts such as social work supervisors, child and youth care workers, psychologists and occupational therapists. The budget growth is also attributable to the planned absorption of social work graduates who completed their studies through the departmental scholarship. Furthermore, the department also plans to appoint officials who will conduct monitoring and evaluation of funded NPOs.

The total budget allocated to goods and services amounts to R1.2 billion in the 2019/20 financial year which increases by R640.5 million from the 2018/19 main appropriation of R564.2 million. The increase is as a result of the reclassification of budget in line with the provisions of the Classification Circular 21 of 2018. This budget includes inter alia, funding for the distribution of school uniform, Dignity Packs and food parcels which are procured through the SCM process in line with Classification Circular 21 of 2018.

Overall transfers to non-profit institutions grows from R2.3 billion in the 2019/20 financial year to R2.6 billion in 2020/21 financial year. The budget growth emanates from among others, inflationary adjustments to funds allocated following the NAWONGO court case judgement. Additional funding was also received as the EPWP conditional grant. The implementation of community nutrition and development centres will commence from the 2020/21 financial year onwards.

Over the 2019 MTEF an amount of R119.5 million is allocated to machinery and equipment for the procurement of tools of trade, office furniture and equipment and the installation of Information Technology infrastructure (network points) for additional staff. Included in this budget is R14 million for the installation of CCTV cameras at head office and two institutions to enhance security in the 2019/10 financial year.

The department will continue to make steady progress in the battle against hunger within the communities through the provision of food parcels and increase the number of beneficiaries who will participate in the woman empowerment programmes, sustainable development opportunities and work opportunities through EPWP.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2019 Estimates of Capital Expenditure (ECE).

7.4.2 Departmental Public-Private-Partnership (PPP) projects

N/A

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.5.2 Transfers to other entities

TABLE 6.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES (NGOS)

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Care and Services to Older Persons	235 550	220 915	208 232	238 122	230 322	230 322	243 710	257 543	271 708
Services to Persons with Disabilities	88 464	94 756	98 787	110 136	110 136	110 136	116 363	122 763	129 515
HIV and AIDS	273 237	311 267	335 758	369 557	359 557	359 557	401 307	399 079	421 028
Care and Support Services to Families	122 189	125 930	132 422	142 060	141 560	141 560	149 063	157 261	165 910
Child Care and Protection	16 655	10 890	672	1 221	1 221	1 221	653	689	727
ECD and Partial Care	336 914	358 659	364 610	440 969	422 060	422 060	439 367	464 324	489 862
Child and Youth Care Centres	154 060	150 384	154 620	168 779	157 179	157 179	208 161	220 441	232 565
Community- Based Care Services for Children	411 794	447 787	63 596	488 205	186 071	186 071	182 616	207 267	186 413
Crime Prevention and Support	92 551	82 551	19 973	77 943	25 423	25 423	26 865	28 343	29 902
Victim Empowerment	57 226	65 294	65 471	96 414	94 214	94 214	94 850	100 149	105 661
Substance Abuse, Prevention and Rehabilitation	88 764	123 036	148 365	281 786	271 786	271 786	287 946	304 333	321 071
Institution Capacity and Support to NPOs	20 000	20 700		21 365					
Poverty Alleviation and Sustainable Livelihoods	174 671	193 017	129 760	297 099	146 013	146 013	153 941	168 260	177 514
Youth Development	17 261	23 128	24 035	25 429	24 068	24 068	25 410	26 798	28 272
Women Development	5 750	9 030	14 350	15 172	15 172	15 172	16 022	16 903	17 833
Total departmental transfers	2 095 086	2 237 344	1 760 651	2 774 257	2 184 782	2 184 782	2 346 274	2 474 153	2 577 981

The total transfers to NPOs decreased from R2.1 billion in 2015/16 to R1.8 billion in 2017/18 financial year. The decrease is mainly attributed to the amendments of the terms and conditions in the funding of NPOs from 01 April 2017 and the implementation of the Classification Circular 21 of 2018. Some of the organisations, which were previously funded through third party payments could not be funded from the 2017/18 financial year onwards as these organisations were not, registered NPOs.

During the 2018/19 adjustment budget period, the total budget to be transferred to non-profit institutions declined from R2.7 billion to R2.1 billion as a result of the reclassification of budget in line with the implementation of the Classification Circular 21 of 2018. In terms of this circular, certain funds which were initially transferred to non-profit institutions for the implementation of programmes on behalf of the department are to be classified as goods and services and service providers must be appointed through the SCM process.

The 2019 MTEF increases from R2.3 billion in 2019/20 to R2.6 billion in the 2021/22 financial year. The increase is mainly attributable to inflationary adjustments for social welfare services following the NAWONGO court case judgement. The department receives a total of R136.2 million over the 2019 MTEF for social welfare services following the NAWONGO court case judgement and the funds will be used to increase the subsidy rates of funded Child Youth Care Centres (CYCCs).

Furthermore, the department allocates an additional R13.7 million for Community Nutrition and Development Centres under Poverty Alleviation and Sustainable Livelihoods for the provision of daily meals and development services such as life skills and linking beneficiaries to other opportunities. This function is shifted from National Department of Social Development to the province from the 2020/21 financial year onwards. The Social Sector EPWP Incentive conditional grant is allocated to HIV and AIDS and increases from R1.5 million from 2018/19 financial year to R23.1 million in the 2019/20 financial year. Additional funds will be used to create temporary work opportunities for the unemployed and unskilled individuals within the social sector whilst expanding the reach of social welfare services to more vulnerable groups.

The department will continue to increase the number of poor children accessing subsidised ECD services through partial care facilities and to improve existing conditionally registered partial care facilities providing an Early Childhood Development programme to attain full registration. This will be achieved through an allocation of R194.7 million as the ECD conditional grant over the 2019 MTEF period.

A total budget of R913.3 million is allocated for the implementation of Substance Abuse, Prevention and Rehabilitation programmes over the MTEF. The funds will be used to increase bed capacity for inpatient treatment of service users to improve accessibility and ensure that those affected by substance abuse receive detoxification services and comprehensive treatment interventions.

The department will over the 2019 MTEF continue to implement poverty alleviation programmes such as welfare to work, skills development projects which includes establishment of centres of excellence.

7.5.3 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

To provide political and strategic direction and leadership, and to guide and support the development of policy frameworks and guidelines for the implementation of priority programmes.

Programme objectives

- To provide effective and efficient human resource management, development services and maintain sound labour peace to 16 282 beneficiaries in the 2019/20 financial year;
- To provide infrastructure support services to 88 projects in the 2015-20 financial years;
- To provide Gender, Youth and Disability (GEYODI) mainstreaming capacity building sessions to 918 officials of the department including NPO officials by the 2019/20 financial year;
- To provide risk management and internal control services through the provision of 10 risk assessments towards the 2019/20 financial year;
- To empower township suppliers, as per GPG targets, to provide preferential procurement to 3 957 companies owned by historically disadvantaged individuals (HDIs); small, medium, and micro enterprises (SMMEs); persons with disabilities (PWD) and youth-owned enterprises;
- To provide legal services to the department through 32 legislative compliance audits, litigation and contract management in the 2015-20 financial years;
- To provide effective and efficient financial management to ensure that 95 per cent of suppliers are paid within 30 days in the 2015-20 financial years;
- To provide services to 100 per cent (809) cases received via the hotline and other stakeholders in the 2015-20 financial years;
- To provide strategic planning, performance monitoring and evaluation services in the 2015-20 financial years; and
- To provide Information Communication and Technology (ICT) services in the 2015-20 financial years.

Key Policies, Priorities and Outputs

Support services provide administrative and financial support to accomplish the mandate of the department which is social work services. The programme's key priorities include effective and efficient human resources management; financial

management services, infrastructure support services, internal control and risk management services, gender youth and disability mainstreaming, legal services and district management services.

TABLE 6.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The MEC	6 474	8 707	8 676	10 722	10 149	10 149	11 381	12 101	12 766
2. Corporate Management Services	233 515	266 617	276 611	321 427	345 507	339 975	412 583	436 426	457 345
3. District Management	240 132	256 322	285 145	291 445	295 074	296 517	349 520	376 183	396 851
Total payments and estimates	480 121	531 646	570 432	623 594	650 730	646 641	773 484	824 710	866 962

TABLE 6.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	436 965	487 316	516 763	601 520	621 319	619 270	731 252	781 704	824 592
Compensation of employees	231 413	256 180	271 642	302 703	308 651	308 651	364 090	384 065	405 108
Goods and services	205 552	231 136	245 121	298 817	312 668	310 619	367 162	397 639	419 484
Transfers and subsidies to:	6 669	13 998	11 815	7 882	7 403	7 069	5 824	6 144	6 481
Departmental agencies and accounts	67	6 652	2 565	84	84	84	89	94	99
Households	6 602	7 346	9 250	7 798	7 319	6 985	5 735	6 050	6 382
Payments for capital assets	36 364	30 303	41 769	14 192	21 837	20 131	36 408	36 862	35 889
Machinery and equipment	36 317	30 203	41 630	14 192	21 687	19 981	36 258	36 704	35 722
Software and other intangible assets	47	100	139		150	150	150	158	167
Payments for financial assets	123	29	85		171	171			
Total economic classification	480 121	531 646	570 432	623 594	650 730	646 641	773 484	824 710	866 962

The expenditure grew from R480.1 million in 2015/2016 to R570.4 million in the 2017/18 financial year. This growth in expenditure is due to the department acquiring additional office buildings with new municipal rates and to accommodate price increases on outsourced services, Microsoft licences and fleet services.

The total programme budget was adjusted upwards from R623.6 million to R650.7 million in the 2018/19 financial year to address spending pressures, procure tools of trade and install Information Technology (IT) infrastructure to enable connectivity to the network. The increase also includes an additional amount of R4.8 million allocated towards maintenance of buildings at regional offices and head office.

The programme budget over the 2019 MTEF increases from R773.4 million in 2019/20 to R866.9 million in the 2021/22 financial year. An amount of R364.1 million in the 2019/20 financial year is allocated to compensation of employees which increases by R61.4 million from the main budget of R302.7 million in the 2018/19 financial year. The increase is due to the cost of living adjustments to the salary bill and the filling of vacant positions including Infrastructure Development Management System (IDMS) posts.

Goods and services is allocated R367.2 million in the 2019/20 financial year due to adjustments to cater for inflation and additional funds. Additional funds are allocated to goods and services to acquire additional office space to accommodate the increased staff establishment that will result from the absorption of social work graduates and the appointment of supervisors. The goods and services budget includes funds allocated to lease additional fleet to improve service delivery in the department. An amount of R18 million to upgrade Social Care Solution (Supatsela) in the 2019/20 financial year is also allocated to goods and services in the programme.

The budget for machinery and equipment increases over the 2019 MTEF to procure tools of trade such as office furniture and equipment, desktops/laptops and installation of IT infrastructure due to the impending increase in the staff establishment. The budget decreases from R36.2 million in 2019/20 to R35.7 million in the 2021/22 financial year. These funds also includes budget allocated for the installation of CCTV cameras to improve service delivery. The installation of CCTV cameras will be implemented in a phased-in approach over the 2019 MTEF.

SERVICE DELIVERY MEASURES**PROGRAMME 1: ADMINISTRATION**

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of people participating in internship programmes	337	356	376	397
Number of learners on learnership programmes	400	706	428	452
Number of new bursars participating in external bursary programmes	30	32	34	36
Percentage of women on salary levels 13-16	50%	50%	50%	50%
Percentage of persons with disabilities (PWD) employed by the department	3%	3%	3%	3%
Vacancy rate of staff on salary levels 13-16 (%)	10%	10%	10%	10%
Number of community home-based care facilities including day care facilities for older persons constructed in Gauteng	6 projects- G8 1 projects- G7 3 projects-G6B	1 project- G8 3 projects -G7	3 project- G8	1 projects-G8
Number of service delivery accommodation facilities constructed in Gauteng	5 projects- G8 1 project- G7 2 projects- G6B	2 projects-G8 1 project G7	1 project -G8 2 projects-G7	2 projects -G8
Number of Inpatient substance abuse rehabilitation centres constructed in Gauteng	1 project -G5	2 projects-G6B	2 projects-G7	2 projects -G8
Number of GEYODI mainstreaming capacity building sessions conducted	3	10	11	11
Number of beneficiaries reached through GEYODI mainstreaming capacity building sessions	250	5 575	5 887	6 217
Number of risk assessments conducted	2	2	2	2
Percentage of investigations actioned from the National Anti-Corruption Hotline	1	1	1	1
Number of contracts awarded by the department to HDI/SMME companies	3200%	3300%	3500%	3700%
Preferential procurement spent per GPG targets	HDI: 80% WOMEN:30% YOUTH:10% DISABILITY:5%	HDI: 80% WOMEN:30% YOUTH:10% DISABILITY:5%	HDI: 80% WOMEN:30% YOUTH:10% DISABILITY:5%	HDI: 80% WOMEN:30% YOUTH:10% DISABILITY:5%
Number of service providers capacitated by the department	2 000	2 112	2 230	2 355
Number of purchase orders issued for persons with disabilities owned companies through preferential procurement	108	114	120	127
Number of purchase orders issued for youth owned companies through preferential procurement	599	633	668	706
Number of legislative compliance tests conducted	8	8	8	8
Percentage of suppliers paid within 30 days	1	1	1	1
Audit opinion on annual financial statements expressed by the AGSA	Unqualified (clean) audit opinion	Unqualified (clean) audit opinion	Unqualified (clean) audit opinion	Unqualified (clean) audit opinion
Number of reports on the implementation of the Service Delivery Improvement Plan (SDIP)	4	4	4	4
Response rate to cases received via the Hotline and other stakeholders (%).	100% (240)	100% (240)	100% (253)	100% (268)
Number of EPWP work opportunities created	7 086	7 086	7 476	7 887
Number of shelters for vulnerable women and children constructed in Gauteng	1 project- G5	2 projects- G6B	2 projects -G7	2 projects -G8

PROGRAMME 2: SOCIAL WELFARE SERVICES**Programme description**

To provide integrated developmental social welfare services to the poor and vulnerable beneficiaries in partnership with stakeholders and civil society.

Programme objectives

- To provide integrated developmental social welfare services for the care, support and protection of 243 572 older persons in the 2015 -20 financial years;
- To provide integrated developmental social welfare services to facilitate the care, social inclusion and economic empowerment of 125 397 persons with disabilities in the 2015 -20 financial years;
- To provide integrated community-based care programmes aimed at mitigating the social and economic impact of HIV and AIDS to 1 168 005 people living with and affected by HIV and AIDS in the 2015 -20 financial years; and
- To respond to emergency needs identified in communities affected by disasters not declared, and or any other social conditions resulting in undue hardship to 9 395 beneficiaries in the 2015 -20 financial years.

Key Policies, Priorities and Outputs

- To ensure the provision of social protection and statutory services aiming to safeguard the wellbeing of individuals and families;
- To ensure a safe living and nurturing environment where the rights of individuals and families are protected and respected; and
- To ensure that designated people and/or institutions take required action necessary to protect the wellbeing of the vulnerable groups. The key priorities include services to Persons with Disabilities, Services to Older Persons and social relief of distress.

TABLE 6.8: SUMMARY OF PAYMENTS AND ESTIMATES: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Management And Support	4 262	3 922	4 719	5 261	6 411	6 422	6 996	7 436	7 844
2. Care And Services To Older Persons	299 273	278 480	269 988	293 680	301 919	301 919	322 813	341 555	360 665
3. Services To Persons With Disabilities	114 946	122 573	126 570	137 170	140 399	141 255	157 666	166 449	176 596
4. HIV And AIDS	278 804	316 276	352 102	378 012	375 585	375 585	427 899	426 877	450 355
Total payments and estimates	697 285	721 251	753 379	814 123	824 314	825 181	915 374	942 317	995 460

TABLE 6.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	92 483	89 552	104 782	94 982	120 147	120 582	149 339	157 050	165 675
Compensation of employees	58 500	54 754	54 994	58 406	63 092	63 092	85 528	90 859	95 856
Goods and services	33 983	34 798	49 788	36 576	57 055	57 490	63 811	66 191	69 819
Transfers and subsidies to:	597 902	627 743	643 497	718 541	700 741	700 741	762 150	780 198	823 108
Non-profit institutions	597 251	626 938	642 777	717 815	700 015	700 015	761 380	779 385	822 251
Households	651	805	720	726	726	726	770	813	857
Payments for capital assets	6 900	3 941	5 088	600	3 415	3 846	3 885	5 069	6 677
Buildings and other fixed structures	4 955	2 940	1 550	600	889	889	1 585	2 769	4 250
Machinery and equipment	1 945	1 001	3 538		2 526	2 957	2 300	2 300	2 427
Payments for financial assets		15	12		11	12			
Total economic classification	697 285	721 251	753 379	814 123	824 314	825 181	915 374	942 317	995 460

The programme expenditure increased from R697.3 million in 2015/16 to R753.4 million in the 2017/18 financial year. The increase in the expenditure is due to the department strengthening existing programmes such as the provision of home-based care services that includes luncheon clubs, old age homes, active ageing programmes and elder persons abuse prevention programme through NPOs.

During the 2018/19 financial year, the budget for the programme was increased by R10.1 million. This amount includes R6.8 million to fund spending pressures and an additional allocation of R3.4 million for the maintenance of institutions.

The services provided by the department include residential facilities to persons with disabilities and protective workshops and enhanced protection. The Home and Community Based Care (HCBC) projects provided by the department continue to create employment opportunities for young people who have limited and/or no work experience.

The 2019 MTEF budget increases from R915.4 million in 2019/20 to R995.5 million in the 2021/22 financial year. This increase is mainly due to additional funding and inflationary-related adjustments. An additional amount of R47.5 million is allocated to this programme to fund the filling of critical posts at departmental institutions. Included in this total is R23.2 million which emanates from the Social Sector EPWP Incentive grant. The increase in the programme budget is to sustain the provision of services that are provided to the vulnerable, destitute and previously disadvantaged.

The sub-programme that is allocated the largest share of the total programme budget is HIV and AIDS, which amounts to R427.9 million in 2019/20 financial year, accounting for 47 per cent of the programme budget of R915.4 million. Through this

allocation, the department will continue to support the integrated community-based care programmes as an initiative to mitigate the social impact of HIV and AIDS on infected and affected people.

The majority of the funds allocated to this programme are transferred to non-profit institutions which will receive R761.4 million in the 2019/20 financial year as these institutions deliver programmes on behalf of the department.

SERVICE DELIVERY MEASURES

PROGRAMME 2: SOCIAL WELFARE SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Percentage of residential facilities for older persons	75	75	79	83
Number of older persons accessing residential facilities	6 350	6 503	6 861	7 238
Number of older persons accessing community-based care and support services	23 977	24 407	25 749	27 166
Number of older persons participating in active aging programmes	28 919	19 575	20 652	21 787
Number of facilities for older persons in the 50 poorest wards and other prioritised areas provided with gym equipment.	26	26	27	29
Number of older persons in the 50 poorest wards and other prioritised areas utilising gym facilities	1 540	2 079	2 193	2 314
Number of beneficiaries reached through elder abuse prevention programmes	27 760	38 476	41 647	43 938
Number of beneficiaries reached through prevention programmes on disability	50 221	57 024	60 160	63 469
Number of persons with disabilities accessing residential facilities	2 050	2 069	2 183	2 303
Number of persons with disabilities accessing funded residential facilities	1 870	1 889	1 993	2 103
Number of persons with disabilities accessing funded assisted living facilities	59	52	55	58
Number of persons with disabilities accessing services in protective workshops managed by funded NPOs	4 672	4 426	4 669	4 926
Number of persons with disabilities receiving psychosocial support services	11 004	12 075	12 739	13 440
Number of persons with disabilities benefiting from community-based care and support programmes	549	436	460	485
Percentage of funded NPOs delivering HIV and AIDS services	100% (255)	100% (258)	100% (272)	100% (287)
Number of food parcels issued by HCBC organisations	99 100	113 080	119 299	125 861
Number of beneficiaries receiving daily meals at HCBC organisations	35 517	35 850	37 822	39 902
Number of vulnerable households receiving psychosocial support services	37 335	39 289	41 450	43 730
Number of implementers trained on social and behaviour change programmes	120	150	158	167
Number of beneficiaries reached through social and behaviour change programmes	77 007	103 582	109 279	115 289
Number of beneficiaries receiving psychosocial support services	86 519	92 301	97 378	102 734
Number of social relief applications recommended for approval by South African Social Security Agency (SASSA)	3 604	3 670	3 872	4 085

PROGRAMME 3: CHILDREN AND FAMILIES

Programme description

To provide comprehensive child and family care and support services to communities in partnership with stakeholders and civil society organisations.

Programme objectives

- To provide integrated developmental social welfare services promoting functional families to 410 706 families / service recipients in the 2015-20 financial years;
- To provide alternative care and support to 552 850 vulnerable children in the 2015 -20 financial years;
- To provide Early Childhood Development (ECD) and partial care services to 481 621 children in the 2015-20 financial years;
- To provide integrated developmental social welfare services for the care and protection of 28 107 children in CYCCs in the 2015 -20 financial years; and
- To provide community-based care support programmes for the care and protection of 53 238 orphans and vulnerable children through the Isibindi Programme in the 2015-20 financial years.

Key Policies, Priorities and Outputs

- To ensure the provision of social protection and statutory services aiming to safeguard the wellbeing of individuals and families;
- To ensure a safe living and nurturing environment where their rights are protected and respected;
- To ensure that designated people and/or institutions take the action necessary to protect the well-being of the vulnerable groups; and
- The protection of children's rights as outlined in the Child Protection Act, provision and regulation of ECDs, promoting functional families and the provision of community-based care as well as protection services to orphans and vulnerable children.

TABLE 6.10: SUMMARY OF PAYMENTS AND ESTIMATES: CHILDREN AND FAMILIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Management And Support	5 891	7 589	8 067	9 171	9 956	9 956	11 040	11 648	12 290
2. Care And Services To Families	124 756	127 332	133 970	144 798	144 266	144 266	152 948	160 832	169 677
3. Child Care And Protection	483 862	515 507	530 505	587 483	610 712	610 858	658 201	700 087	784 080
4. Ecd And Partial Care	413 354	449 944	488 191	535 032	522 604	522 492	508 785	554 740	551 877
5. Child And Youth Care Centres	485 981	514 761	522 060	539 182	585 188	587 607	664 878	706 717	895 075
6. Community-Based Care Services For Children	411 794	447 787	445 299	488 205	345 605	345 605	350 084	384 197	373 074
Total payments and estimates	1 925 638	2 062 920	2 128 092	2 303 871	2 218 331	2 220 784	2 345 936	2 518 221	2 786 073

TABLE 6.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CHILDREN AND FAMILIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	772 231	826 138	1 273 299	965 023	1 219 147	1 220 371	1 298 406	1 383 630	1 642 243
Compensation of employees	650 193	692 434	735 654	805 191	833 074	833 074	933 768	987 176	1 206 017
Goods and services	122 038	133 704	537 645	159 832	386 073	387 297	364 638	396 454	436 226
Transfers and subsidies to:	1 043 318	1 095 194	717 568	1 242 273	909 183	909 469	980 954	1 051 135	1 076 694
Non-profit institutions	1 041 612	1 093 650	715 920	1 241 234	908 091	908 091	979 860	1 049 982	1 075 477
Households	1 706	1 544	1 648	1 039	1 092	1 378	1 094	1 153	1 217
Payments for capital assets	109 754	141 503	137 085	96 575	89 874	90 817	66 576	83 456	67 136
Buildings and other fixed structures	101 804	132 900	125 629	94 659	86 207	86 095	64 603	82 561	66 193
Machinery and equipment	7 950	8 603	11 456	1 916	3 667	4 722	1 973	895	943
Payments for financial assets	335	85	140		127	127			
Total economic classification	1 925 638	2 062 920	2 128 092	2 303 871	2 218 331	2 220 784	2 345 936	2 518 221	2 786 073

The programme expenditure increased from R1.9 billion in 2015/16 to R2.1 billion in the 2017/18 financial year. The expansion of nutrition services and school uniform programmes to community-based care services for children contributed to the increase in the programme expenditure. The growth in expenditure is also attributable to expansion of access to non-centre based ECD programmes such as toy libraries and mobile ECD facilities in an effort to reach more beneficiaries. The department also implemented social infrastructure projects which contributed to the increased expenditure in the programme.

The programme budget was reduced from R2.3 billion to R2.2 billion in the 2018/19 financial year primarily to address spending pressures identified in other programmes and to fund other priorities. During the 2018/19 adjustment budget period, certain categories of expenditure were reclassified from NPIs to goods and services to comply with Classification Circular 21 of 2018.

The 2019 MTEF budget grows from R2.3 billion in 2019/20 to R2.8 billion in the 2021/22 financial year. The increase mainly covers price increases on contractual obligations related to services such as cleaning, security and gardening services for institutions. The department continues to provide school uniform through the Bana Pele Programme and an amount of R509 million is allocated towards this project over the 2019 MTEF.

Compensation of employees in the programme increase from R933.8 million in 2019/20 to R1.2 billion in the 2021/22 financial year due to provisions for the cost of living adjustment to salaries as well as additional funding for the absorption social work graduates. The goods and services budget amounts to R364.6 million in 2019/20 and increases by R204.8 million from R159.8 million in the 2018/19 financial year. The increase in goods and services is mainly due to the reclassification of budget for school uniform, training of ECD practitioners, community development workers, security at prototype facilities, renovations of ECD centres in line with the Classification Circular 21 of 2018. Furthermore, the increase in goods and services also caters for inflation in the cost of outsourced services such as security, laundry, cleaning and gardening services.

The department, through the ECD conditional grant allocation, which amounts to R68 million in 2019/20, will continue to increase the number of poor children accessing subsidised ECD services through partial care facilities. This allocation will also fund minor building improvement and occupational health and safety assessment of ECDs in the province to improve existing conditionally registered partial care facilities providing ECD programme to attain full registration.

Furthermore, the department will continue to support and strengthen the family support programmes and increase access to both parenting and fatherhood programmes.

SERVICE DELIVERY MEASURES

PROGRAMME 3: CHILDREN AND FAMILIES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of family members participating in family preservation services	78 135	85 399	90 096	95 051
Number of families participating in re-unification programmes provided by Government	2 997	2 899	3 058	3 227
Number of families participating in re-unification programmes by funded NPOs	3 609	3 961	4 179	4 409
Number of family members participating in parenting programmes	19 564	25 284	26 675	28 142
Number of families receiving crisis intervention services (social work services)	26 137	27 018	28 504	30 072
Number of family members reunited with their families	1 237	1 371	1 446	1 526
Percentage of children placed in foster care	100% (5 508)	100% (5 241)	100% (5 529)	100% (5 833)
Number of children placed in foster care that receive social work services	55 704	55 704	58 769	62 000
Number of children in need of care and protection receiving psychosocial support services	79 814	82 924	87 485	92 297
Number of children awaiting foster care placement	3 452	1 338	1 412	1 489
Percentage of funded partial care (ECD) sites	100% (1 426)	100% (1 445)	100% (1 524)	100% (1 608)
Number of children subsidized through equitable share	107 358	107 358	113 263	119 492
Number of children subsidized through conditional grant	PPI not recorded in FY	10 059	10 612	11 196
Percentage of newly funded partial care (ECD) sites managed by funded NPOs	100% (100)	100% (34)	100% (36)	100% (38)
Number of fully registered ECD centres	2 262	1 709	1 803	1 902
Percentage of non-centre based sites funded	100% (34)	100% (21)	100% (22)	100%(23)
Number of children accessing non-centre based services	3 168	1 902	2 007	2 117
Percentage of children in need of care and protection accessing services in funded child and youth care centres	100% (4 802)	100% (4 779)	100% (5042)	100% (5 319)
Percentage of Child and Youth Care centres	111	118	123	126
Number of CYCCs capacitated to meet compliance with transformation in line with the norms and standards of the Children's Act	112	116	122	129
Number of CYCW trainees receiving training through community based child and youth care(NQF level 4)	300	600	317	334
Number of beneficiaries reached through community based prevention and early intervention programmes	19 172	19 431	20 500	21 627
Number of children with disability accessing funded ECD programmes	200	200	211	223
Number of children accessing registered ECD programmes	150 000	159 075	167 824	177 054

PROGRAMME 4: RESTORATIVE SERVICES

Programme description

To provide integrated developmental social crime prevention and anti-substance abuse services and victim empowerment programme to the most vulnerable in partnership with stakeholders and civil society organisations.

Programme objectives

- To provide integrated social crime prevention programmes, probation, aftercare services to 797 307 children, youth and adults in conflict with the law in the 2015 -20 financial years;
- To provide integrated developmental social welfare services for the care, support and protection of 221 475 victims of gender based violence and crime in the 2015 -20 financial years; and
- To provide integrated developmental social welfare services for substance abuse prevention, treatment and aftercare to 3 430 525 beneficiaries in the 2015 -20 financial years.

Key Policies, Priorities and Outputs

- To ensure the provision of social protection and statutory services aiming to safeguard the wellbeing of individuals and families;
- To ensure a safe living and nurturing environment where the rights are protected and respected; and
- To ensure that designated people and/or institutions take action necessary to protect the wellbeing of the vulnerable groups. The key priorities include provision of social crime prevention, victim empowerment and substance abuse services and programmes.

TABLE 6.12: SUMMARY OF PAYMENTS AND ESTIMATES: RESTORATIVE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Management And Support	1 129	845	1 048	1 425	1 416	1 416	1 414	1 504	1 587
2. Crime Prevention And Support	165 856	156 912	143 893	146 954	185 848	185 983	205 651	228 388	240 895
3. Victim Empowerment	66 764	75 449	76 586	108 171	109 444	109 473	111 786	116 743	120 002
4. Substance Abuse, Prevention And Rehabilitation	173 326	209 093	266 517	362 767	378 485	378 992	415 388	416 576	436 368
Total payments and estimates	407 075	442 299	488 044	619 317	675 193	675 864	734 239	763 211	798 852

TABLE 6.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: RESTORATIVE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	159 384	155 255	234 096	159 206	275 569	275 958	297 133	324 041	341 535
Compensation of employees	85 923	89 419	94 803	100 121	113 140	113 140	136 120	158 884	167 577
Goods and services	73 461	65 836	139 293	59 085	162 429	162 818	161 013	165 157	173 958
Transfers and subsidies to:	238 743	271 242	234 138	456 511	391 854	391 901	409 836	433 009	457 117
Non-profit institutions	238 541	270 881	233 809	456 143	391 423	391 423	409 661	432 825	456 634
Households	202	361	329	368	431	478	175	184	483
Payments for capital assets	8 940	10 656	19 786	3 600	7 719	7 954	27 270	6 161	200
Buildings and other fixed structures	7 395	9 894	17 202	3 600	7 564	7 676	27 270	6 161	200
Machinery and equipment	1 545	762	2 584		155	278			
Payments for financial assets	8	5 146	24		51	51			
Total economic classification	407 075	442 299	488 044	619 317	675 193	675 864	734 239	763 211	798 852

The overall expenditure in the programme increased from R407.1 million in 2015/16 to R488 million in the 2017/18 financial year. This increase in expenditure is as a result of the expansion of substance abuse half-way houses, in-patient treatment centres and the implementation of the Gauteng City Region (GCR) Anti-Substance Abuse Social Movement Campaign. Expenditure also increases due to the establishment of the Randfontein and Sedibeng centres to reach more service user beneficiaries. The programme expenditure further increased due to the enhancement of shelters for gender-based violence under the Victim Empowerment sub-programme to address domestic violence and crime.

An additional amount of R55.8 million was allocated to the programme in the 2018/19 financial year to fund the budget shortfall on new contract for the secure care centre, outsourced services and the replacement of old and worn-out curtains for dormitories at the departmental institutions. Included in this amount is an allocation of R129 000 for the maintenance of the departmental institutions to ensure the appropriate standards of service and accommodation of buildings.

Over the 2019 MTEF, the total budget of the programme increases from R734.2 million in 2019/20 to R798.9 million in the 2021/22 financial year. Compensation of employees amounts to R136.1 million in the 2019/20 financial year and increases by R35 million from the 2018/19 main appropriation of R100.1 million due to inflationary related growth and additional funding. Over the 2019 MTEF, the programme is allocated an additional amount of R51.4 million for the filling of critical posts. Included in the R51.4 million is the allocation towards Ratanda Shelter and Soshanguve In-Patient Rehabilitation Centre infrastructure development.

The Sub-programme: Substance Abuse, Prevention and Rehabilitation is allocated the largest share of the programme budget with R415.4 million allocated in the 2019/20 financial year, which accounts for 57 per cent of the total programme budget. Through this allocation the department will continue with prevention and awareness campaigns to educate communities on the negative effect of substance abuse and to reduce the demand for drugs through the implementation of programmes such as Ke-Moja drug prevention programme. The department will also continue to provide treatment intervention through in-patient and out-patient centres and community based services. To ensure that those who have received treatment do not relapse, the department will provide after care service through half way houses.

The Sub-programme: Victim Empowerment is allocated R111.8 million in the 2019/20 financial year which increases to R120 million in the 2021/22 financial year. The Victim Empowerment Programme will allow for victims to continue to access services at the designated service sites that are managed by funded NPOs.

The Sub-programme: Crime Prevention and Support is allocated R205.7 million in the 2019/20 financial year, which increases by R58.6 million from the main appropriation of R146.9 million in the 2018/19 financial year. These funds are allocated to enable the department to reduce the impact of social crimes through the continuous implementation of Social Crime Prevention Strategy by expanding social crime awareness campaigns, crime prevention and diversion programmes.

SERVICE DELIVERY MEASURES

PROGRAMME 4: RESTORATIVE SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of persons reached through social crime awareness and prevention programmes	231 644	249 444	263 163	277 637
Percentage of adults in conflict with the law assessed	100% (4 394)	100% (5 362)	100% (5 657)	100% (5 968)
Percentage of children in conflict with the law assessed	100% (2 784)	100% (2 861)	100% (3 018)	100% (3 184)
Percentage of children in conflict with the law referred to diversion programmes	100% (1 566)	100% (1 491)	100% (1 574)	100% (1 661)
Percentage of children in conflict with the law who participate in diversion programmes	100% (3 009)	100% (2 504)	100% (2 642)	100%(2 787)
Percentage of children in conflict with the law who completed diversion programmes	100% (1 611)	100% (1 364)	100% (1 439)	100%(1 518)
Percentage of children in conflict with the law in home-based supervision	100% (1 534)	100% (1 571)	100% (1 657)	100%(1 749)
Percentage of children in conflict with the law awaiting trial in secure care centres managed by Government	100% (660)	100% (680)	100% (717)	100%(757)
Percentage of funded NPOs implementing diversion and prevention programmes	100% (28)	100% (28)	100% (30)	100%(31)
Percentage of sentenced children in secure care centres	100% (125)	100% (145)	100% (153)	100%(161)
Number of victims of crime and violence accessing psycho social support services	26 728	42 262	44 586	47 039
Number of beneficiaries reached through programmes of non-violence against children and women including 16 days of activism	212 698	233 575	246 614	260 177
Percentage of human trafficking victims who accessed social services	100% (58)	100% (62)	100% (65)	100%(69)
Percentage of perpetrators participating in programme for intimate partner violence	100% (1 431)	100% (1 690)	100% (1 783)	100%(1 881)

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of people reached through substance abuse prevention programmes	718 843	736 153	769 083	811 383
Number of service users who accessed outpatient-based treatment services	7 622	7 622	8 049	8 492
Number of service users who have accessed inpatient treatment services at funded treatment centres	6 242	6 902	7 281	7 682
Number of children 18 years and below reached through the Ke-Moja drug prevention programme	551 425	599 039	631 986	666 745
Number of youth (19-35) reached through the Ke-Moja drug prevention programme	163 443	165 732	174 847	184 464
Percentage of persons who received substance abuse treatment participating in aftercare programmes	100% (10 244)	100% (10 314)	100% (10 881)	100%(11 480)
Number of anti-substance abuse halfway houses registered and funded	1	1	1	1
Number of service users who completed inpatient treatment services at funded treatment centres	2 540	2 784	2 837	3 099
Number of service users who accessed substance abuse community based treatment services	13 390	13 390	14 126	14 903

PROGRAMME 5: DEVELOPMENT AND RESEARCH

Programme description

To provide sustainable development programmes which facilitate empowerment of communities based on empirical research and demographic information.

Programme objectives

- To build safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity as well as nurturing a sense of belonging and confidence in local people for 55 922 recipients in the 2015-20 financial years;
- To support NPO registration and compliance monitoring, as well as NPO stakeholder liaison and communication; to provide institutional capacity building, manage NPO funding as well as monitoring and create a conducive environment for all NPOs to flourish;
- To provide poverty alleviation and sustainable livelihood services to 3 987 217 recipients in the 2015-20 financial years;
- To provide community-based research and planning to 922 721 households in the 2015-20 financial years;
- Create an environment to help 185 618 young people to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities ;
- Create an environment to help 51 493 women to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities; and
- To promote the implementation of the Population Policy within all spheres of government and civil society through population research, advocacy, capacity building and monitoring and evaluating the implementation of the policy.

Key Policies, Priorities and Outputs

The key priorities include women and youth empowerment programmes, community mobilisation, support to NPOs, poverty alleviation and sustainable livelihood programmes, community based research and population policy promotion services.

TABLE 6.14: SUMMARY OF PAYMENTS AND ESTIMATES: DEVELOPMENT AND RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Management And Support	5 932	5 303	5 846	6 188	6 593	6 616	5 822	6 197	6 538
2. Community Mobilisation	8 641	12 260	11 552	12 590	16 295	16 295	15 758	16 674	17 592
3. Institutional Capacity And Support For NPOs	154 213	189 826	180 208	204 073	203 045	203 120	234 526	254 894	268 911
4. Poverty Alleviation And Sustainable Livelihoods	232 042	244 718	294 879	347 113	362 700	362 700	436 729	423 543	446 837
5. Community Based Research And Planning	5 124	4 694	4 849	5 438	5 438	5 438	5 764	6 116	6 453
6. Youth Development	18 571	25 131	25 911	28 080	27 481	27 481	28 926	30 530	32 208

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
7. Women Development	5 750	9 030	14 350	15 172	15 172	15 172	16 022	16 903	17 833
8. Population Policy Promotion	1 849	2 725	4 318	3 936	4 137	4 137	4 272	4 543	4 793
Total payments and estimates	432 122	493 687	541 913	622 590	640 861	640 959	747 819	759 400	801 165

TABLE 6.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	213 310	247 046	373 069	263 325	454 599	454 600	552 172	547 150	577 241
Compensation of employees	207 572	239 657	246 434	253 400	252 385	252 385	304 039	309 191	326 195
Goods and services	5 738	7 389	126 635	9 925	202 214	202 215	248 133	237 959	251 046
Transfers and subsidies to:	218 036	246 331	168 435	359 265	185 848	185 849	195 647	212 250	223 924
Non-profit institutions	217 682	245 875	168 145	359 065	185 253	185 253	195 373	211 961	223 619
Households	354	456	290	200	563	564	274	289	305
Payments for capital assets	776	310	407		373	470			
Buildings and other fixed structures									
Machinery and equipment	776	310	407		373	470			
Payments for financial assets			2		41	40			
Total economic classification	432 122	493 687	541 913	622 590	640 861	640 959	747 819	759 400	801 165

The total expenditure in the programme increased from R432.1 million in 2015/16 to R541.9 million in 2017/18 financial year. The increase in expenditure was due to the expansion of development centres, training of non-profit institutions, the distribution of Dignity Packs and food banks (social relief programmes). The increase is also attributable to the introduction of the Welfare to Work Programme, an initiative introduced to empower woman living on child grants by exposing them to economic opportunities.

The programme budget increases from R622.5 million to R640.8 million in the 2018/19 financial year to fund the budget shortfall on the distribution of food parcels to needy households. An additional amount was also allocated to the Men's Forum, service excellence awards and the South African Men's Awards during the 2018/19 adjustment budget period.

In the 2019/20 financial year, the total budget of the programme is R747.8 million that increases by R125.2 million from the main allocation of R622.6 million in the 2018/19 financial year. The increase is due to inflationary-related adjustments and additional funding. Over the 2019 MTEF, the programme is allocated an additional R53.7 million for critical posts including social work supervisors at the regions and to expand the Dignity Packs Programme. Included in this amount is R18.3 million is allocated in the 2019/20 financial year for Dignity Packs programme. The Dignity Packs Programme benefits boys, girls and children with albinism.

The total programme budget increases to R801.1 million in the 2021/22 financial year to sustain the provision of services. The Sub-programme: Poverty Alleviation and Sustainable Livelihoods is allocated the largest portion of the programme budget with R436.7 million allocated in the 2019/20 financial year and R1.3 billion over the 2019 MTEF. Through this budget, the department will continue to strive for progress in the battle against hunger within the communities through the provision of food parcels. Included in this amount is R257 million over the 2019 MTEF for the procurement of food parcels and for the operational costs of food banks. This amount also include R405 million for the distribution of Dignity Packs. From the 2020/21 financial year onwards the department will manage contracts pertaining to food relief programmes for which additional funding of R13.7 million is allocated.

An amount of R112 million is allocated over the 2019 MTEF to continue with the implementation/establishment of Centres of Excellence Programme which provides training to youth from substance abuse rehabilitation centres and youth out of school to link them to economic opportunities. These youths are trained in among others, plumbing and bricklaying.

SERVICE DELIVERY MEASURES

PROGRAMME 5: DEVELOPMENT AND RESEARCH

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of people reached through community mobilisation programmes	32 789	34 615	36 519	38 527
Number of NPOs capacitated according to capacity building guidelines	1 250	1 250	1 319	1 391
Percentage of funded NPOs	100% (2 765)	100% (2 765)	100% (2 917)	100% (3 078)
Number of cooperatives linked to economic opportunities	167	236	249	263
Number of food relief issued to people through food banks	248 000	248 000	261 640	276 030
Number of households accessing food through DSD food security programmes	70 857	70 857	74 754	78 866
Number of dignity packs distributed	206 587	1 856 000	1 336 896	1 410 425
Number of people participating in income generating programmes and economic opportunities	33 723	35 052	36 988	39 021
Number of school uniform packs distributed	10 897	311 178	168 617	177 891
Number of community development interventions conducted in the 50 poorest wards and other prioritised areas	70	74	78	82
Number of beneficiaries participating in the Welfare to Work programme	13 000	13 780	14 538	15 337
Number of households profiled	27 000	16 000	16 880	17 808
Number of wards profiled	15	15	16	17
Number of community-based plans developed	15	15	16	17
Number of youth participating in skills development programmes	40 646	42 731	45 081	47 561
Number of youth participating in entrepreneurship programmes	13 600	15 644	16 504	17 412
Number of youth participating in mobilisation programmes	PPI not recorded in the FY	83 285	87 866	92 698
Number of youth accessing economic opportunities and income generating programmes	25 597	25 616	27 025	28 511
Percentage of funded youth development structures supported	100% (105)	100% (126)	100% (133)	100% (140)
Number of women participating in empowerment programmes	18 400	19 504	20 577	21 708
Number of women on child support grants linked to economic opportunities	3 374	3 576	3 773	3 980
Number of research projects completed	3	3	3	3
Number of Population Advocacy, Information, Education and Communication (IEC) activities implemented	8	10	11	11
Number of stakeholders (individuals) who participated in population capacity building sessions	154	184	194	205
Number of demographic profiles completed	34	34	36	38
Number of population policy monitoring and evaluation reports produced	3	4	4	4
Number of population capacity development sessions conducted	2	3	3	3
Percentage of Ntirhisano commitments achieved	90%	100%	100%	100%

9. OTHER PROGRAMME INFORMATION**9.1 Personnel numbers and costs**

TABLE 6.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: SOCIAL DEVELOPMENT

R thousands	Actual			Revised estimate			Medium-term expenditure estimate			Average annual growth over MTEF							
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22				
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total		
Salary level																	
1 – 6	2 189	328 138	1 939	479 521	2 318	391 240	1 747	462 665	1 975	565 843	2 084	622 008	2 180	678 585	8%	14%	31%
7 – 10	1 848	780 106	2 075	704 894	2 044	831 204	2 287	909 603	2 723	1 018 244	2 748	1 057 768	2 768	1 260 025	7%	11%	57%
11 – 12	122	88 366	134	106 686	132	130 697	134	121 191	167	150 435	168	157 015	168	164 984	8%	11%	8%
13 – 16	39	36 991	43	41 343	41	50 386	41	56 987	41	68 789	41	71 934	41	75 378	0%	10%	4%
Other			464	19 896	464	19 896	464	19 896	227	20 234	227	21 450	227	21 781	(21%)	3%	1%
Total	4 198	1 233 601	4 191	1 332 444	4 535	1 403 527	4 673	1 570 342	5 133	1 823 545	5 268	1 930 175	5 384	2 200 753	5%	12%	100%
Programme																	
1. Administration	651	231 413	674	256 180	1 454	271 642	1 118	308 651	919	364 090	943	384 065	957	405 108	(5%)	9%	19%
2. Social Welfare Services	182	58 500	195	54 754	172	54 994	186	63 092	225	85 528	234	90 859	242	95 856	9%	15%	4%
3. Children And Families	2 559	650 193	2 409	692 434	1 994	735 654	2 491	833 074	3 019	933 768	3 102	987 176	3 183	1 206 017	9%	13%	53%
4. Restorative Services	168	85 923	220	89 419	219	94 803	236	113 140	282	136 120	287	158 884	290	167 577	7%	14%	8%
5. Development And Research	638	207 572	693	239 657	696	246 434	642	252 385	688	304 039	702	309 191	712	328 195	4%	9%	16%
Direct charges															0%	0%	0%
Total	4 198	1 233 601	4 191	1 332 444	4 535	1 403 527	4 673	1 570 342	5 133	1 823 545	5 268	1 930 175	5 384	2 200 753	5%	12%	100%
Employee dispensation classification																	
Public Service Act appointees not covered by OSDs	1 217	279 520	1 526	289 774	1 177	362 871	1 203	389 716	1 200	424 622	1 233	447 976	1 233	472 615	1%	7%	23%
Public Service Act appointees still to be covered by OSDs															0%	0%	0%
Professional Nurses, Staff Nurses and Nursing Assistants	99	2 255	131	2 466	133	2 634	153	2 787	176	3 344	176	3 834	176	4 045	5%	13%	0%
Legal Professionals	3	1 350	2	1 559	3	1 665	3	2 808	4	3 657	4	3 928	4	4 144	10%	14%	0%
Social Services Professions	2 873	939 240	2 042	1 021 636	2 817	1 020 345	2 848	1 157 538	3 509	1 367 547	3 611	1 447 241	3 727	1 691 256	9%	13%	75%

R thousands	Actual				Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF						
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22				
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total		
Engineering Professions and related occupations	6	11 236	3	1 793	5	1 826	6	4	10	8 967	12	15 255	12	17 173	12	18 118	6%	26%	1%
Therapeutic, Diagnostic and other related Allied Health Professionals			3	1 915	3	1 915	2	2	2	2 026	5	2 290	5	2 957	5	3 120	36%	15%	0%
Others such as interns, EPWP, learnerships, etc			487	15 271	397	12 271		454	454	6 500	227	6 830	227	7 066	227	7 455	(21%)	5%	0%
Total	4 198	1 233 601	4 191	1 332 444	4 535	1 403 527	3 558	1 115	4 673	1 570 342	5 133	1 823 545	5 268	1 930 175	5 384	2 200 753	5%	12%	100%

The personnel headcount of the department increases from 3 558 in 2018/19 to an estimated 5 133 in 2019/20. Growth in the personnel headcount is informed by plans to fill critical posts, absorb social work graduates and appoint officials who will perform the monitoring and evaluation of funded NPOs.

Provision for the additional appointments is included in the compensation of employees' budget that increases from R1.5 billion in 2018/19 to R1.8 billion in 2019/20, an increase of R251.2 million which includes the cost of living adjustment as well as accelerated grade progression for qualifying officials.

Additional funding is allocated to compensation of employees to fill critical posts and absorb social work graduates who participated in the departmental bursary scheme. The absorption and placement plan of graduates will be informed by the service delivery requirements, levels of shortage of social workers at the institutions/regions and the fair distribution of capacity of social workers across regions and institutions.

In addition, the increase in the compensation of employees' budget over the 2019 MTEF covers an increase in personnel numbers that is based on the additional funds received for the absorption of social work graduates who received bursaries from the department and the filling of critical posts. The department will continue to fill the IDMS posts as per the funding allocation.

The department reprioritises funds from transfers to NPI to compensation of employees to appoint officials who will conduct the monitoring and evaluation of funded NPOs. Capacity building and the monitoring and evaluation function, which was previously performed by NPOs funded through the department will be performed in-house from the 2019/20 financial year onwards.

9.2 Training

TABLE 6.17: INFORMATION ON TRAINING: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	4 198	4 191	4 535	4 673	4 673	4 673	5 133	5 268	5 384
Number of personnel trained	1 786	1 901	2 091	2 213	2 213	2 213	2 213	2 337	2 337
of which									
Male	429	480	528	559	559	559	559	590	590
Female	1 357	1 421	1 563	1 654	1 654	1 654	1 654	1 747	1 747
Number of training opportunities	74	74	74	73	73	73	73	73	73
of which									
Tertiary	6	6	6	6	6	6	6	6	6
Workshops									
Seminars									
Other	68	68	67	67	67	67	67	67	67
Number of bursaries offered	342	241	301	220	220	220	260	270	270
Number of interns appointed	261	276	291	337	337	337	347	357	357
Number of learnerships appointed	200	211	223	100	100	100	105	110	110
Number of days spent on training									
Payments on training by programme									
1. Administration	11 937	9 861	12 962	12 054	11 704	11 704	13 383	14 119	14 896
2. Social Welfare Services									
3. Children And Families									
4. Restorative Services									
5. Development And Research									
Total payments on training	11 937	9 861	12 962	12 054	11 704	11 704	13 383	14 119	14 896

The number of bursaries awarded declined from 301 in 2017/18 to 220 in the 2018/19 financial year. It will increase to 260 in the 2019/20 financial year. The number of bursaries fluctuates on an annual basis since the number is influenced by graduation,

drop-out rates and bursary audits as well as the costing relating to study fees. In addition, the department grants internal departmental bursaries based on the number of applications received per annum.

Over the 2019 MTEF, the department will focus on priorities such as an increase in bursaries around formal studies for the occupational categories care work and community development. This is in line with the aim of professionalisation and key strategic priorities informed by a skills audit. In addition, attention will be given to post-graduate qualifications in social work.

The allocated training budget will continue to focus on the continuous professional development of social service professionals as required by the professional body, as well as the implementation of management development programmes over the 2019 MTEF.

9.3 Reconciliation of structural changes

No structural change in the department.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 6.18: SPECIFICATION OF RECEIPTS: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	2 589	2 712	2 891	2 798	2 798	2 798	2 956	3 118	3 289
Sale of goods and services produced by department (excluding capital assets)	2 589	2 637	2 891	2 798	2 798	2 798	2 956	3 118	3 289
Sales by market establishments	1 509	1 485	1 620	1 539	1 539	1 539	1 626	1 715	1 809
Other sales	1 080	1 152	1 271	1 259	1 259	1 259	1 330	1 403	1 480
Of which									
Other sales	36	26	118	41	41	41	44	46	49
Boarding Services	264	156	111	309	309	309	326	344	363
Commission	780	970	1 042	909	909	909	960	1 013	1 069
Sales of scrap, waste, arms and other used current goods (excluding capital assets)		75							
Fines, penalties and forfeits						2			
Interest, dividends and rent on land	69	40	58	28	28	34	29	31	33
Interest	69	40	58	28	28	34	29	31	33
Transactions in financial assets and liabilities	1 318	1 515	8 458	583	583	1 071	616	650	686
Total departmental receipts	3 976	4 267	11 407	3 409	3 409	3 905	3 601	3 799	4 008

TABLE 6.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 674 373	1 805 307	2 502 009	2 084 056	2 690 781	2 690 781	3 028 302	3 193 575	3 551 286
Compensation of employees	1 233 601	1 332 444	1 403 527	1 519 821	1 570 342	1 570 342	1 823 545	1 930 175	2 200 753
Salaries and wages	1 055 248	1 136 999	1 192 176	1 304 621	1 338 460	1 338 460	1 541 547	1 644 905	1 898 792
Social contributions	178 353	195 445	211 351	215 200	231 882	231 882	281 998	285 270	301 961
Goods and services	440 772	472 863	1 098 482	564 235	1 120 439	1 120 439	1 204 757	1 263 400	1 350 533
Administrative fees	171	174	500	531	520	520	510	538	568
Advertising	5 269	6 164	28 395	6 990	25 245	25 736	14 005	14 225	15 006
Minor assets	3 880	3 644	453	4 081	6 846	6 846	2 797	2 841	3 537
Audit cost: External	3 492	3 252	5 181	3 434	3 434	4 036	5 823	6 136	6 473
Bursaries: Employees	3 045	2 554	3 166	3 380	2 458	2 458	2 588	2 731	2 881
Catering: Departmental activities	7 374	6 494	5 515	5 906	7 324	7 355	7 914	8 326	8 786
Communication (G&S)	31 246	34 324	19 633	27 092	26 786	26 120	27 489	28 727	30 031
Computer services	12 836	20 727	22 347	27 518	25 640	24 429	46 412	48 965	51 658
Consultants and professional services: Business and advisory services	2 051	1 060	2 142	7 550	6 404	6 339	3 164	3 339	3 522
Legal services	1 525	814	3 976	2 676	5 915	5 915	3 749	3 900	4 115
Contractors	6 268	4 103	4 345	5 728	6 785	6 816	5 775	6 095	6 431

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Agency and support / outsourced services	21 424	23 781	79 431	26 596	104 092	104 092	103 214	105 258	111 048
Fleet services (including government motor transport)	22 700	30 102	21 653	71 668	74 642	74 642	95 980	108 270	114 224
Inventory: Clothing material and accessories	14			6	10	10	43	45	48
Inventory: Food and food supplies	12 591	10 930	283 101	9 430	74 836	74 836	86 024	84 172	88 802
Inventory: Fuel, oil and gas	5			10			2	2	2
Inventory: Learner and teacher support material	33	283	76	97	97	97	144	153	161
Inventory: Materials and supplies	563	331	230	499	648	648	578	608	642
Inventory: Medical supplies	1 651	1 464	222	272	426	438	588	620	655
Inventory: Medicine	232	237	255	396	490	490	879	927	978
Inventory: Other supplies	15 279	10 916	215 832	13 473	288 038	288 038	322 732	323 606	341 404
Consumable supplies	7 091	7 683	7 765	7 286	9 258	9 054	10 194	10 753	11 346
Consumable: Stationery, printing and office supplies	9 328	10 922	8 543	7 710	9 230	9 230	10 551	11 130	11 741
Operating leases	49 725	56 562	62 680	69 942	66 739	66 739	82 386	89 645	94 573
Property payments	180 568	200 175	245 399	219 772	280 846	280 863	270 409	296 848	330 556
Transport provided: Departmental activity	5 251	2 842	2 664	3 351	2 982	3 218	4 067	4 258	4 491
Travel and subsistence	8 093	8 295	10 313	10 231	11 210	10 857	12 521	13 211	13 939
Training and development	10 296	8 671	42 971	10 972	51 890	51 791	55 694	58 257	61 460
Operating payments	13 311	12 192	11 844	12 983	15 170	15 154	17 410	18 369	19 378
Venues and facilities	4 696	3 092	3 255	3 295	6 107	7 062	4 571	4 821	5 087
Rental and hiring	764	1 075	1 415	1 360	1 371	1 610	1 544	1 624	1 715
Transfers and subsidies	2 104 668	2 254 508	1 775 453	2 784 472	2 195 029	2 195 029	2 354 411	2 482 736	2 587 324
Departmental agencies and accounts	67	6 652	2 565	84	116	116	89	94	99
Provide list of entities receiving transfers	67	6 652	2 565	84	116	116	89	94	99
Non-profit institutions	2 095 086	2 237 344	1 760 651	2 774 257	2 184 782	2 184 782	2 346 274	2 474 153	2 577 981
Households	9 515	10 512	12 237	10 131	10 131	10 131	8 048	8 489	9 244
Social benefits	3 461	3 391	3 614	2 876	3 160	3 160	3 330	3 512	3 695
Other transfers to households	6 054	7 121	8 623	7 255	6 971	6 971	4 718	4 977	5 549
Payments for capital assets	162 734	186 713	204 135	114 967	123 218	123 218	134 139	131 548	109 902
Buildings and other fixed structures	114 154	145 734	144 381	98 859	94 660	94 660	93 458	91 491	70 643
Buildings	114 154	145 734	144 381	98 859	94 660	94 660	93 458	91 491	70 643
Machinery and equipment	48 533	40 879	59 615	16 108	28 408	28 408	40 531	39 899	39 092
Transport equipment	30 202	28 236	50 959						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Other machinery and equipment	18 331	12 643	8 656	16 108	28 408	28 408	40 531	39 899	39 092
Software and other intangible assets	47	100	139		150	150	150	158	167
Payments for financial assets	466	5 275	263		401	401			
Total economic classification	3 942 241	4 251 803	4 481 860	4 983 495	5 009 429	5 009 429	5 516 852	5 807 859	6 248 512

TABLE 6.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	436 965	487 316	516 763	601 520	621 319	619 270	731 252	781 704	824 592
Compensation of employees	231 413	256 180	271 642	302 703	308 651	308 651	364 090	384 065	405 108
Salaries and wages	200 310	221 624	234 467	267 115	267 554	267 554	317 512	338 413	356 945
Social contributions	31 103	34 556	37 175	35 588	41 097	41 097	46 578	45 652	48 163
Goods and services	205 552	231 136	245 121	298 817	312 668	310 619	367 162	397 639	419 484
Administrative fees	165	121	380	438	438	437	424	447	472
Advertising	841	865	630	1 619	8 682	8 682	4 280	4 515	4 763
Minor assets	2 945	2 184	364	3 459	4 859	2 811	2 506	2 709	2 854
Audit cost: External	3 492	3 252	5 181	3 434	3 434	4 036	5 823	6 136	6 473
Bursaries: Employees	3 045	2 554	3 166	3 380	2 458	2 458	2 588	2 731	2 881
Catering: Departmental activities	661	471	407	635	705	705	592	625	659
Communication (G&S)	24 889	26 239	12 712	20 124	20 110	20 110	14 745	15 557	16 413
Computer services	12 672	20 694	22 344	27 483	25 605	24 394	46 412	48 965	51 658
Consultants and professional services: Business and advisory services	52	56	228	99	3 997	3 997	527	557	588
Legal services	1 525	814	3 976	2 676	5 876	5 876	3 749	3 900	4 115
Contractors	3 119	2 822	2 080	2 791	3 565	3 565	4 031	4 252	4 486
Agency and support / outsourced services									
Fleet services (including government motor transport)	16 451	18 873	15 819	49 649	51 249	51 249	71 491	82 430	86 963
Inventory: Materials and supplies	1								
Inventory: Other supplies	70	256	246				253	267	282
Consumable supplies	2 131	3 119	2 733	3 034	4 120	4 120	3 900	4 115	4 343
Consumable: Stationery, printing and office supplies	6 640	7 310	5 116	4 024	4 875	4 875	5 444	5 744	6 059
Operating leases	48 236	53 772	59 874	66 504	63 261	63 261	78 856	85 922	90 645
Property payments	65 681	75 927	94 199	93 636	91 909	91 909	99 733	105 759	111 555
Transport provided: Departmental activity	194	77	144	175	94	330	158	166	175

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Travel and subsistence	2 111	2 157	2 861	2 990	3 100	2 857	3 243	3 421	3 610
Training and development	8 892	7 307	9 796	8 674	9 246	9 246	12 148	12 817	13 521
Operating payments	968	1 437	1 497	2 920	3 773	3 773	4 733	4 994	5 269
Venues and facilities	667	743	1 301	988	1 216	1 832	1 390	1 466	1 547
Rental and hiring	104	86	61	85	96	96	73	77	82
Transfers and subsidies	6 669	13 998	11 815	7 882	7 403	7 069	5 824	6 144	6 481
Departmental agencies and accounts	67	6 652	2 565	84	84	84	89	94	99
Provide list of entities receiving transfers	67	6 652	2 565	84	84	84	89	94	99
Households	6 602	7 346	9 250	7 798	7 319	6 985	5 735	6 050	6 382
Social benefits	1 225	807	1 227	1 462	1 267	933	1 734	1 829	1 929
Other transfers to households	5 377	6 539	8 023	6 336	6 052	6 052	4 001	4 221	4 453
Payments for capital assets	36 364	30 303	41 769	14 192	21 837	20 131	36 408	36 862	35 889
Machinery and equipment	36 317	30 203	41 630	14 192	21 687	19 981	36 258	36 704	35 722
Transport equipment	22 105	21 567	36 394						
Other machinery and equipment	14 212	8 636	5 236	14 192	21 687	19 981	36 258	36 704	35 722
Software and other intangible assets	47	100	139		150	150	150	158	167
Payments for financial assets	123	29	85		171	171			
Total economic classification	480 121	531 646	570 432	623 594	650 730	646 641	773 484	824 710	866 962

TABLE 6.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL WELFARE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	92 483	89 552	104 782	94 982	120 147	120 582	149 339	157 050	165 675
Compensation of employees	58 500	54 754	54 994	58 406	63 092	63 092	85 528	90 859	95 856
Salaries and wages	50 741	47 135	46 350	49 006	53 943	53 943	71 817	76 383	80 584
Social contributions	7 759	7 619	8 644	9 400	9 149	9 149	13 711	14 476	15 272
Goods and services	33 983	34 798	49 788	36 576	57 055	57 490	63 811	66 191	69 819
Advertising	14	15	1	33	6	6			
Minor assets	317	365	15		309	745			
Catering: Departmental activities	1 994	2 049	1 592	1 974	1 832	1 832	975	1 027	1 084
Communication (G&S)	594	484	395	477	335	335	563	595	627
Computer services			3						
Consultants and professional services: Business and advisory services	62		12	12	16	16	34	36	38
Contractors	1 664	170	536	177	170	170	344	364	384
Agency and support / outsourced services	2 945	4 867	6 227	6 657	6 110	6 110	6 285	6 631	6 996

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Fleet services (including government motor transport)	528	1 282	595	2 100	2 200	2 200	2 106	2 221	2 343
Inventory: Clothing material and accessories	14						11	11	12
Inventory: Food and food supplies	2 308	1 137	10 001		10 000	10 000	10 600	11 236	11 854
Inventory: Materials and supplies	5		42	39	2	3	81	85	90
Inventory: Medical supplies	981	769	104	133	182	190	180	190	200
Inventory: Medicine		3	31	30	32	32	32	33	35
Inventory: Other supplies	923	1 073	2 633	3 343	4 924	4 924	3 965	4 184	4 414
Consumable supplies	2 072	1 923	2 269	1 864	1 808	1 808	2 335	2 462	2 597
Consumable: Stationery, printing and office supplies	124	229	291	299	329	329	280	295	311
Operating leases	460	762	357	463	446	446	458	483	510
Property payments	12 530	13 887	18 412	12 368	21 493	21 493	20 095	20 465	21 579
Transport provided: Departmental activity	1 034	677	930	887	863	863	484	512	540
Travel and subsistence	1 894	1 719	1 718	1 832	2 153	2 108	2 402	2 534	2 674
Training and development	895	960	759	891	933	931	9 191	9 251	9 759
Operating payments	2 098	1 984	2 164	2 345	2 023	2 023	2 407	2 539	2 678
Venues and facilities	264	121	363	325	672	673	669	706	745
Rental and hiring	263	322	338	317	217	253	314	331	349
Transfers and subsidies	597 902	627 743	643 497	718 541	700 741	700 741	762 150	780 198	823 108
Non-profit institutions	597 251	626 938	642 777	717 815	700 015	700 015	761 380	779 385	822 251
Households	651	805	720	726	726	726	770	813	857
Social benefits	254	424	299	270	270	270	286	302	318
Other transfers to households	397	381	421	456	456	456	484	511	539
Payments for capital assets	6 900	3 941	5 088	600	3 415	3 846	3 885	5 069	6 677
Buildings and other fixed structures	4 955	2 940	1 550	600	889	889	1 585	2 769	4 250
Buildings	4 955	2 940	1 550	600	889	889	1 585	2 769	4 250
Machinery and equipment	1 945	1 001	3 538		2 526	2 957	2 300	2 300	2 427
Transport equipment	1 166	568	1 379						
Other machinery and equipment	779	433	2 159		2 526	2 957	2 300	2 300	2 427
Payments for financial assets		15	12		11	12			
Total economic classification	697 285	721 251	753 379	814 123	824 314	825 181	915 374	942 317	995 460

TABLE 6.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CHILDREN AND FAMILIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	772 231	826 138	1 273 299	965 023	1 219 147	1 220 371	1 298 406	1 383 630	1 642 243

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Compensation of employees	650 193	692 434	735 654	805 191	833 074	833 074	933 768	987 176	1 206 017
Salaries and wages	551 830	586 749	621 753	687 413	705 727	705 727	785 204	831 357	1 040 627
Social contributions	98 363	105 685	113 901	117 778	127 347	127 347	148 564	155 819	165 390
Goods and services	122 038	133 704	537 645	159 832	386 073	387 297	364 638	396 454	436 226
Administrative fees		1		11					
Advertising	2 421	3 032	3 553	3 888	4 892	4 892	4 250	4 485	4 732
Minor assets	478	888	46	622	1 595	2 819	291	132	683
Catering: Departmental activities	1 750	1 838	1 571	1 320	2 430	2 446	2 807	2 964	3 126
Communication (G&S)	4 500	5 007	5 166	4 478	4 133	3 470	4 991	5 265	5 555
Consultants and professional services: Business and advisory services	805	23		5 014	13	13	14	14	15
Contractors	540	826	1 383	2 374	2 557	2 580	688	726	766
Agency and support / outsourced services	6 735	6 218	8 997	9 240	10 720	10 720	11 923	12 944	13 656
Fleet services (including government motor transport)	4 429	7 573	4 176	16 499	16 473	16 473	17 406	18 363	19 373
Inventory: Clothing material and accessories				6	9	9	28	30	32
Inventory: Food and food supplies	10 255	9 787	232 596	9 400	9 407	9 407	10 353	10 922	11 523
Inventory: Fuel, oil and gas	5						2	2	2
Inventory: Learner and teacher support material	30	244	73	86	54	54	69	73	77
Inventory: Materials and supplies	139	79	151	191	377	376	453	478	504
Inventory: Medical supplies	663	619	102	121	191	192	251	265	280
Inventory: Medicine	232	206	173	266	308	308	583	615	649
Inventory: Other supplies	7 772	7 574	154 088	8 856	169 371	169 371	170 847	180 494	190 421
Consumable supplies	2 321	1 933	2 310	1 787	1 831	2 020	2 665	2 812	2 967
Consumable: Stationery, printing and office supplies	1 531	2 267	2 156	2 101	2 375	2 375	2 906	3 062	3 230
Operating leases	600	1 135	1 488	1 841	1 873	1 873	1 786	1 884	1 988
Property payments	67 422	75 939	94 473	83 530	125 479	125 479	106 854	124 356	148 617
Transport provided: Departmental activity	2 271	939	457	775	593	593	727	766	808
Travel and subsistence	1 921	2 312	3 260	2 617	2 851	2 851	3 809	4 019	4 240
Training and development	178	179	11 659	104	18 430	18 430	10 305	10 845	11 442
Operating payments	4 184	4 163	3 783	4 018	4 445	4 429	4 331	4 568	4 819
Venues and facilities	772	834	570	573	439	742	952	1 003	1 059
Rental and hiring	84	88	234	114	227	375	347	367	387

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transfers and subsidies	1 043 318	1 095 194	717 568	1 242 273	909 183	909 469	980 954	1 051 135	1 076 694
Non-profit institutions	1 041 612	1 093 650	715 920	1 241 234	908 091	908 091	979 860	1 049 982	1 075 477
Households	1 706	1 544	1 648	1 039	1 092	1 378	1 094	1 153	1 217
Social benefits	1 465	1 370	1 482	840	893	1 178	885	933	985
Other transfers to households	241	174	166	199	199	200	209	220	232
Payments for capital assets	109 754	141 503	137 085	96 575	89 874	90 817	66 576	83 456	67 136
Buildings and other fixed structures	101 804	132 900	125 629	94 659	86 207	86 095	64 603	82 561	66 193
Buildings	101 804	132 900	125 629	94 659	86 207	86 095	64 603	82 561	66 193
Machinery and equipment	7 950	8 603	11 456	1 916	3 667	4 722	1 973	895	943
Transport equipment	6 133	5 446	10 756						
Other machinery and equipment	1 817	3 157	700	1 916	3 667	4 722	1 973	895	943
Payments for financial assets	335	85	140		127	127			
Total economic classification	1 925 638	2 062 920	2 128 092	2 303 871	2 218 331	2 220 784	2 345 936	2 518 221	2 786 073

TABLE 6.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: RESTORATIVE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	159 384	155 255	234 096	159 206	275 569	275 958	297 133	324 041	341 535
Compensation of employees	85 923	89 419	94 803	100 121	113 140	113 140	136 120	158 884	167 577
Salaries and wages	73 352	76 061	80 083	84 141	96 366	96 366	114 269	135 625	143 037
Social contributions	12 571	13 358	14 720	15 980	16 774	16 774	21 851	23 259	24 540
Goods and services	73 461	65 836	139 293	59 085	162 429	162 818	161 013	165 157	173 958
Administrative fees	2								
Advertising	1 993	2 237	24 211	1 434	11 365	11 463	4 822	4 537	4 786
Minor assets	127	106	13		83	471			
Catering: Departmental activities	2 488	1 287	991	1 056	1 026	1 026	1 224	1 291	1 363
Communication (G&S)	492	1 857	346	958	1 054	1 051	6 046	6 103	6 163
Computer services	134								
Consultants and professional services: Business and advisory services	22	6	11	18	39	39	48	51	53
Legal services									
Contractors	944	262	229	334	414	414	452	476	503
Agency and support / outsourced services	11 744	12 696	64 207	10 699	87 262	87 262	85 006	85 683	90 396
Fleet services (including government motor transport)	1 292	2 374	1 063	3 420	4 720	4 720	4 977	5 256	5 545
Inventory: Food and food supplies	28	6	16	30	65	65	71	74	78
Inventory: Learner and teacher support material	3	39	3	11	43	43	75	80	84

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Inventory: Materials and supplies	418	252	37	269	269	269	44	45	48
Inventory: Medical supplies	7	76	11	18	53	56	94	98	104
Inventory: Medicine		28	51	100	150	150	264	279	294
Inventory: Other supplies	6 514	1 870	865	1 227	2 858	2 858	2 053	2 166	2 285
Consumable supplies	478	528	288	390	571	571	922	972	1 025
Consumable: Stationery, printing and office supplies	451	331	195	346	484	484	672	709	748
Operating leases	411	496	550	482	647	647	746	787	831
Property payments	34 935	34 422	38 307	30 238	41 963	41 963	43 725	46 266	48 803
Transport provided: Departmental activity	1 569	617	945	1 046	641	641	615	648	684
Travel and subsistence	371	445	496	590	625	625	524	555	585
Training and development	319	210	911	1 303	1 884	1 787	1 542	1 598	1 686
Operating payments	5 686	4 542	4 346	3 628	4 758	4 758	5 876	6 201	6 542
Venues and facilities	2 728	639	528	726	932	932	747	788	831
Rental and hiring	305	510	673	762	522	522	464	490	517
Transfers and subsidies	238 743	271 242	234 138	456 511	391 854	391 901	409 836	433 009	457 117
Non-profit institutions	238 541	270 881	233 809	456 143	391 423	391 423	409 661	432 825	456 634
Households	202	361	329	368	431	478	175	184	483
Social benefits	163	334	316	104	167	215	151	159	158
Other transfers to households	39	27	13	264	264	263	24	25	325
Payments for capital assets	8 940	10 656	19 786	3 600	7 719	7 954	27 270	6 161	200
Buildings and other fixed structures	7 395	9 894	17 202	3 600	7 564	7 676	27 270	6 161	200
Buildings	7 395	9 894	17 202	3 600	7 564	7 676	27 270	6 161	200
Machinery and equipment	1 545	762	2 584		155	278			
Transport equipment	798	655	2 430						
Other machinery and equipment	747	107	154		155	278			
Payments for financial assets	8	5 146	24		51	51			
Total economic classification	407 075	442 299	488 044	619 317	675 193	675 864	734 239	763 211	798 852

TABLE 6.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	213 310	247 046	373 069	263 325	454 599	454 600	552 172	547 150	577 241
Compensation of employees	207 572	239 657	246 434	253 400	252 385	252 385	304 039	309 191	326 195
Salaries and wages	179 015	205 430	209 523	216 946	214 870	214 870	252 745	263 127	277 599
Social contributions	28 557	34 227	36 911	36 454	37 515	37 515	51 294	46 064	48 596
Goods and services	5 738	7 389	126 635	9 925	202 214	202 215	248 133	237 959	251 046

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Administrative fees	4	52	120	82	82	83	86	91	96
Advertising		15		16	300	693	653	688	725
Minor assets	13	101	15						
Catering: Departmental activities	481	849	954	921	1 331	1 346	2 316	2 419	2 554
Communication (G&S)	771	737	1 014	1 055	1 154	1 154	1 144	1 207	1 273
Computer services	30	33		35	35	35			
Consultants and professional services: Business and advisory services	1 110	975	1 891	2 407	2 339	2 274	2 541	2 681	2 828
Contractors	1	23	117	52	79	87	260	277	292
Inventory: Other supplies		143	58 000	47	110 885	110 885	145 614	136 495	144 002
Consumable supplies	89	180	165	211	928	535	372	392	414
Consumable: Stationery, printing and office supplies	582	785	785	940	1 167	1 167	1 249	1 320	1 393
Operating leases	18	397	411	652	512	512	540	569	599
Transport provided: Departmental activity	183	532	188	468	791	791	2 083	2 166	2 284
Travel and subsistence	1 796	1 662	1 978	2 202	2 481	2 416	2 543	2 682	2 830
Training and development	12	15	19 846		21 397	21 397	22 508	23 746	25 052
Operating payments	375	66	54	72	171	171	63	67	70
Venues and facilities	265	755	493	683	2 848	2 883	813	858	905
Rental and hiring	8	69	109	82	309	364	346	359	380
Transfers and subsidies	218 036	246 331	168 435	359 265	185 848	185 849	195 647	212 250	223 924
Non-profit institutions	217 682	245 875	168 145	359 065	185 253	185 253	195 373	211 961	223 619
Households	354	456	290	200	563	564	274	289	305
Social benefits	354	456	290	200	563	564	274	289	305
Payments for capital assets	776	310	407		373	470			
Machinery and equipment	776	310	407		373	470			
Other machinery and equipment	776	310	407		373	470			
Payments for financial assets			2		41	40			
Total economic classification	432 122	493 687	541 913	622 590	640 861	640 959	747 819	759 400	801 165

TABLE 6.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments									
Compensation of employees									
Goods and services									
Interest and rent on land									
Transfers and subsidies	16 785	13 108	9 384	1 485	1 485	1 485	23 164		

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Provinces and municipalities									
Provinces									
Municipalities									
Departmental agencies and accounts									
Public corporations and private enterprises									
Public corporations									
Private enterprises									
Non-profit institutions	16 785	13 108	9 384	1 485	1 485	1 485	23 164		
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Payments for financial assets									
Total economic classification	16 785	13 108	9 384	1 485	1 485	1 485	23 164		

TABLE 6.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EPWP INTEGRATED GRANT FOR PROVINCES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments									
Compensation of employees									
Goods and services									
Interest and rent on land									
Transfers and subsidies	2 000		2 000	2 000	2 000	2 000			
Provinces and municipalities									
Provinces									
Municipalities									
Departmental agencies and accounts									
Public corporations and private enterprises									
Public corporations									
Private enterprises									
Subsidies on production									
Non-profit institutions	2 000		2 000	2 000	2 000	2 000			
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Payments for financial assets									
Total economic classification	2 000		2 000	2 000	2 000	2 000			

TABLE 6.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EARLY CHILDHOOD DEVELOPMENT GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments							7 004	7 476	7 887
Transfers and subsidies			38 489	62 777	62 777	62 777	60 993	65 076	68 656
Non-profit institutions			38 489	62 777	62 777	62 777	60 993	65 076	68 656
Households									
Payments for capital assets							100	106	112
Payments for financial assets									
Total economic classification			38 489	62 777	62 777	62 777	68 097	72 658	76 655

TABLE 6.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL WORKER EMPLOYMENT GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments									
Compensation of employees									
Goods and services									
Interest and rent on land									
Transfers and subsidies			2 453	2 655	2 655	2 655			
Provinces and municipalities									
Provinces									
Municipalities									
Departmental agencies and accounts									
Non-profit institutions			2 453	2 655	2 655	2 655			
Payments for capital assets									
Payments for financial assets									
Total economic classification			2 453	2 655	2 655	2 655			

VOTE 7

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

To be appropriated by vote in 2019/20	R 562 282 000
Responsible Executing Authority	MEC for Cooperative Governance and Traditional Affairs
Administering Department	Department of Cooperative Governance and Traditional Affairs
Accounting Officer	Head of Department

1. OVERVIEW

Vision

Local Government for and by citizens where participatory democracy and effective governance fosters economic development, financial viability, sustainability and a better quality of life.

Mission

To lead, support and monitor in the following areas:

- Efficient service delivery, institutional and financial viability and good governance, towards the realisation of Smart Cities, through cooperative governance with associated institutions and traditional leadership;
- Deepening of democracy through proactive and focused stakeholder involvement;
- Strengthening of intergovernmental relations across all spheres of government including the institution of traditional leadership;
- Disaster resilience through coordination with government spheres and social partners.

Strategic Goals

The department is geared towards achieving the three strategic objectives which are to:

- Strengthen the administrative, financial and governance systems of the department by 2020.
- To provide differentiated direct support and intervention to Gauteng municipalities through proactive diagnosis aligned to the Back to Basics Pillars by 2020.
- Strengthen IGR in the context of GCR to implement the back to basics programme and meet the constitutional mandate, including cooperation and support for traditional leadership by 2020.

Core functions and responsibilities

The mandate of the department highlights cooperative governance and is essential for integrated development. The department provides support to and monitors municipalities and tribal authorities by:

- Inter-governmental relations systems, processes and procedures;
- Monitor, implement and review the local government legislative frameworks;
- Support and monitor the implementation of Performance Management Systems across all Gauteng municipalities;
- Coordinate and facilitate the development of infrastructure and urban planning, led by the Gauteng Planning Division;
- Support the development and implementation of Local Economic Development strategies and programmes, led by the Department of Economic Development;
- Support municipalities with their Human Resources Management and development systems;
- Facilitate and coordinate the development of Information and Communication Technology systems across Gauteng municipalities;
- Support and monitor the institution of Traditional Leadership;
- Coordinate and facilitate financial support to municipalities, led by the Department of Treasury;
- Entrench participatory democracy systems, structures, processes and procedures.

Main services

The department is expected to continue strengthening governance, put controls in place for municipalities to collect debts timeously and intergovernmental relations within municipalities and other spheres of government. Municipalities will be supported in the implementation of the Municipal and Provincial Intergovernmental Relations (IGR) Frameworks including providing technical and financial support in areas of performance management systems (PMS) with a specific focus on core PMS in line with legislative and regulatory prescripts. The Department will ensure compliance to the municipal regulation of 2007 of the Municipal Finance Management Act (MFMA) on minimum competency levels which requires that municipal officials meet minimum competency in relevant skills.

The municipalities in the province have been performing well in terms of the implementation of the B2B programme. However, the four local municipalities of (Merafong, Mogale, Lesedi and Rand West) are currently categorised as municipalities at risks due to financial, governance and service delivery challenges. The only municipality that is considered dysfunctional is Emfuleni LM. The B2B programme has been updated and strengthened to reflect eight pillars, namely: putting people first; delivering of basic services and infrastructure; good governance and accountability; sound financial management; building institutional and administrative capabilities; spatial planning and integrated development plans (IDP); local economic development; and building resilience for climate change.

The approach consists of a high-level action plan for areas of implementation by provincial departments and municipalities. The methodology to operationalise the B2B provincial approach is underpinned by the following:

- Mobilise multi-departmental teams across all spheres of government (including sectors of society) to tackle municipalities at risk or dysfunctionality;
- Improve performance and build effective systems and resilient institutions of Local Government;
- Strengthen community engagement and feedback through Ntirhisano Service Delivery Outreach Programme;
- A more integrated, comprehensive and differentiated hands-on approach to support municipalities.

The department's deliverology plan approved by the Premier of Gauteng resulting from an agreement entered into by the then MEC of CoGTA and the Premier. The plan is monitored by the Premier through a stocktake process organised by the Delivery Support Unit at the Office of the Premier. The plan contains service delivery indicators and targets and is being implemented in conjunction with the APP. The purpose of the deliverology plan is to accelerate service delivery.

Ten-Pillar programme of Transformation, modernisation and Re-industrialisation

Transformation of state and governance

CoGTA operates within an environment that is characterised by municipalities whose financial viability and sustainability is in serious doubt. The liquidity ratios of municipalities demonstrate that many may not be adequately and sufficiently liquid or viable. A significant number of the municipalities in the province - especially the non-metro municipalities - are faced by expenses that far exceed the income being generated. The shortfall is mainly due to low collection rates, or in other instances non-collection of debt. Consequently, this results in insufficient cashflow to cover expenditure incurred. This has, in some instances, led to these municipalities being unable to pay Eskom and Rand Water - to the point where Eskom has threatened to cut electricity and Rand Water has reduced water pressure.

The following interventions were implemented by the department:

- Data cleansing in all Gauteng Municipalities through the implementation of the Top 500 Business and Top 100 Residential Debtors project.
- Implementation of the Tariff Model to ensure that tariffs are set at a level that will generate sufficient revenue to cover Municipal costs and ensure that tariffs are based on cost causation principles and ultimately ensure optimal financial sustainability.
- Simplified Revenue Plan where the Revenue Chain is assessed, and plans are developed to address some of the gaps identified. The simplified revenue plans once implemented should result in improved revenue management; reduced municipal consumer debt and enhanced municipal revenue collection potential.

Municipalities are supported to facilitate and support the development and functionality of Public Participation structures. The functionality of the ward committees is monitored on a quarterly basis, and the department intervenes upon request in instances where challenges are present that lead to ward committees being unable to function. The Asset-Based Community Development (ABCD) and Citizen Based Monitoring (CBM) approaches resonate with the core principles of the constitutional imperatives of participatory democracy and our cultural values of Ubuntu. The ABCD holds the potential to transform how we engage with communities at a micro and meso level. Both approaches emphasise a people-centred-people-driven attitude that draws on the strengths of citizens that are often unrecognised as assets. These approaches encourage citizens to see themselves as part of the machinery that makes government work.

Modernisation of the public service

During the droughts in 2015, the MEC for CoGTA established the Water and Sanitation Forum aimed at tackling challenges of water and sanitation in the province. This translated into the adoption of the Water and Sanitation Plan for 2030 for the province, to which the department is committed. The #Save Water campaign was launched to create awareness on the use of water. The Department installed 50 rain water harvesting facilities in targeted schools in five Corridors as part of the campaign in the 2017/18 financial year. 100 water harvesting facilities will be installed by the end of this financial year.

National Development Plan

CoGTA is committed to playing a role in meeting the NDP goals of reducing unemployment and poverty while improving the lives of the citizens of our country. The department will continue with job creation initiatives through the Tshepo 1 million Programme and the Community Workers Programme (CWP). The department is part of the Local Government Youth Development Forum which was launched in partnership with National CoGTA and the Office of the Premier. The objectives of the forum are the following:

- Tshepo 1 million targets and plans;
- Tshepo 1 million reports;
- Municipal Youth Development plans and reports;
- Community Activations by OOP;
- Collaboration and partnership strategies.

External activities and events relevant to Budget decisions

None.

Acts, rules and regulations – (Legislative Mandates)

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- Local Government: Municipal Property Rate Act (Act No. 6 of 2004);
- National Environmental Management Act (Act No. 107 of 1998), as amended by Act No. 8 of 2004;
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Local Government: Municipal Systems Act (Act No. 32 of 2000);
- Public Finance Management Act (Act No. 1 of 1999);
- Local Government: Demarcation Act (Act No. 27 of 1998);
- Local Government: Municipal Structure Act (Act No. 117 of 1998);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- Expropriation Act (1951), as repealed by Act No. 63 of 1975;
- State Land Disposal Act (Act No. 48 of 1961);
- Deeds Registries Act (Act No. 47 of 1937).

Provincial legislations

- Gauteng Traditional Leadership Act no of 2010;
- Gauteng Types of Municipality Act no 03 of 2000;
- Gauteng City Improvement Act no 12 of 1997.

Good governance legislation

- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Public Finance Management Act (Act No. 1 of 1999).

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

Transformation of the state and governance

Organisational support

The department continues to pay all service providers within 30 days. A resolution was taken by the Executive Committee to have departments in Gauteng begin paying invoices within 15 days and the department has been able to achieve this target. The department was affected by the Bank of Lisbon fire, inhibiting the finalisation of the selection and recruitment of candidates for a number of SMS posts. Due to Bank of Lisbon (BoL) fire outbreak, files could not be accessed, and the processes were halted. The target was set with the intention of ensuring that 45 per cent of women would occupy SMS positions, however, the department was only able to achieve a total of 32 per cent. The target percentage of 1,5 per cent pertaining to people with disabilities has been maintained.

One Local Government Communicators Forum was held with 11 municipalities represented. The aim of the forum is to strengthen communication in Local Government. On the 20th and 21st of June 2018 CoGTA and DHS Communication Units, met with all Heads of Communication from Municipalities, sector departments, and other partner stakeholders. The intention of the workshop was to develop a provincial-wide communication strategy to synergise messaging, and better address the challenges facing the Province as a collective. Two Intergovernmental forums were convened on the 09th of October and 19th of December 2018.

Community Development

- 12 thematic programmes were supported during the current financial year i.e. Human rights month, Freedom Month, Workers' Month, Youth Month, Heritage Month, Transport Month and 16 Days of Activism for No Violence against Women and Children;
- 6 Human Rights Month campaigns/initiatives were supported in 4 municipalities: 2 in the City of Johannesburg, 1 in Mogale City, 1 in Merafong and 2 in Emfuleni;
- 3 Freedom Month campaigns/initiatives were supported in the City of Johannesburg Metropolitan municipality;
- 4 Workers' Month campaigns/initiatives were supported in two municipalities: 3 in City of Johannesburg and 1 in City of Tshwane;
- 1 Youth Month campaign/initiative supported in City of Tshwane;
- 7 Youth Month campaigns/initiatives were supported in 4 municipalities: 3 in the City of Johannesburg, 3 for the City of Ekurhuleni, 2 for Rand West City, and 1 in Merafong;
- 50 Mandela Month campaigns/initiatives were supported in 8 municipalities: 12 in Rand West City, 10 in the City of Johannesburg, 7 in the City of Tshwane, 8 in Mogale City, 6 in the City of Ekurhuleni, 5 in Emfuleni, 1 in Merafong, and 1 in Lesedi;
- 18 Women's Month campaigns/initiatives were supported in five municipalities: 7 in Mogale City, 4 in the City of Johannesburg, 4 in the City of Tshwane, 2 in the City of Ekurhuleni, and 1 in Lesedi;
- 16 Heritage Month campaigns/initiatives were supported in six municipalities: 4 in the City of Johannesburg, 3 in Emfuleni, 3 in Rand West City, 3 in Mogale City, 2 in the City of Tshwane, and 1 in Merafong;
- 2 Transport Month campaigns/initiatives were supported in Rand West City municipality;
- 33 16 Days of Activism for No Violence against Women and Children campaigns/initiatives were supported: 8 in the City of Johannesburg, 6 in the City of Tshwane, 8 in Mogale City, 1 in Merafong City, 1 in Midvaal, 1 in Emfuleni, and 8 in Rand West City;
- In addition, 294 other ad-hoc campaigns/initiatives were supported.

Fighting Corruption

Seventy percent of maladministration and fraud complaints were acted upon within 3 months of being reported to national, provincial and municipalities hotlines. Four municipalities were monitored on the extent to which anti-corruption measures have been implemented (West Rand District Municipality, Mogale City, Merafong and Rand-West City LM). The Department continues to work with Ethics SA to promote ethical behaviour in municipalities. Four municipalities (Sedibeng DM, Lesedi, Emfuleni and Midvaal local municipalities) are monitored on the extent to which anti-corruption measures are being implemented.

Improving Municipal Governance

Nine municipalities were supported to review and revise their Indigent policies to further cater for poverty alleviation and the plight of the homeless people. The report on IGR resolutions that tracked across the three spheres of government was produced for the purpose of ensuring that functional IGR structures are in place in accordance with the IGR Framework.

Financial Viability

Emfuleni and Rand-West City Local Municipalities were provided with additional capacity to develop simplified revenue plans and finalise the municipal specific plans. The initiative enables municipalities to institute systems and mechanisms to facilitate

the collection of debt owed to municipalities. The four Municipalities of Rand-West City, Merafong, Lesedi and Emfuleni, were provided with financial support to update and maintain their Infrastructure Asset Registers in line with the GRAP 17 requirements. Through the implementation of the GRAP 17, the Department supports initiatives in the identified municipalities. It is noted that municipalities which have been supported achieved great success in compiling, updating, and maintaining their fixed asset registers in line with the requirements of GRAP 17 and other GRAP Standards. This has resulted in municipalities improving significantly and achieving favourable audit opinions in the area of assets (Property, plant and equipment).

The audit assessment conducted in municipalities did have material findings in the accuracy and the completeness of the asset registers in all four municipalities. Owing to the advisory support provided by the OPCA Provincial Coordinating Committee, all negative audit outcomes (Adverse, Disclaimer and Qualified) have been eliminated. As a result, all Gauteng municipalities have been achieving positive audit outcomes (Unqualified and Clean) for the past two years. Furthermore, monitoring and support is provided to ensure a reduction in repeat findings, and also to prevent manageable findings in the Management Letters from escalation of the Audit Report findings.

Capacity Development

Six municipalities supported were assisted with the standardisation of Human Resource processes (COJ, West-Rand District, Ekurhuleni, Merafong, Rand West City and Midvaal). The support initiatives are aimed at improving the HR Policies, Procedures and Systems in municipalities and providing technical and advisory support to municipalities to implement the thirteen Human Resource standards. A combined Human Resource Dialogue and Provincial Municipal Capacity Coordinating & Monitoring Committee (PMCCMC) was conducted. Three Municipalities were supported (Lesedi, Mogale and Merafong) to institutionalise Performance Management System. Three municipalities were supported with the standardisation of Human Resource (HR) processes. Training in Human Resource Standards was conducted in three municipalities (Midvaal, Rand West and West Rand) on the 10th and 11th of December 2018. Eleven Municipalities were supported to enable compliance with MSA regulations in terms of the appointment of Senior Managers.

Municipal Monitoring

The department continues to monitor municipalities regarding the implementation of the Back-to-Basics action plans. The municipal performance reports were developed against the four key performance areas of Local Government. The municipal compliance report in terms of the Municipal Finance Management Act; Municipal Property Rates Act; Municipal Systems Act and Remuneration of Public Office Bearers Act, was produced. One annual municipal performance report for 2017/18 was produced as per section 47 of the Municipal Systems Act (MSA). Six local municipalities were monitored on the implementation of infrastructure service delivery programmes -Emfuleni, Midvaal, Lesedi, Mogale City, Rand West City and Merafong.

Disaster Management and Fire and Rescue

- One functionality assessment was conducted at the Ekurhuleni Metropolitan Municipality with positive results;
- One winter awareness campaign was conducted in Emfuleni, focus areas were flood risk, motor accidents, wind, and hailstorm risk;
- One micro-risk assessment was conducted in Khutsong;
- Disaster management awareness campaigns were conducted in high risk areas (flood risk awareness in Mamelodi – City of Tshwane);
- One micro-disaster-risk assessment was conducted in Sejwetla – City of Johannesburg.
- A functionality assessment was conducted at the City of Johannesburg Municipality Disaster Management unit with a positive outcome.
- A hazard awareness campaign was conducted in the City of Tshwane.
- A community-based disaster risk assessment was conducted at the City of Johannesburg Municipality.
- 108 Candidates were trained on fire and rescue techniques.
- R15 million in Gazetted funds was transferred to the West Rand District Municipality for the leasing of 5 rescue vehicles and 5 fire engines to provide capacity to the municipality.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

Transformation of the state and governance

Improving governance

Nine municipalities will be supported to implement indigent policies based on the review which was completed in 2018/19. One Provincial Indigent policy framework incorporating indigent burial and homelessness will be developed in collaboration with municipalities. Public Participation will be sought to gain an understanding of the views of the citizens during the process of developing the framework.

The department saw an opportunity for sector engagement on governance challenges in hung councils and opportunities for coalition governments, consequently CoGTA facilitated a focused sector engagement one year after the 2016 LGE. This allowed for a better understanding and appreciation of threats and opportunities presented by coalitions. Three municipalities will be supported to have functional statutory council committees, namely Merafong, Emfuleni and Lesedi. The committees are responsible for decision-making in the municipalities when they are non-functional, as the delaying of key decisions negatively affects the day-to-day running of the municipality.

To improve intergovernmental planning, the department is in the process of finalising the GCR-Wide IGR Strategy. This will entail the establishment of the IGR Secretariat. The department plans to strengthen IGR at the municipal level through enhancement of municipal IGR strategies and implementation plans. This should lead to fully functional Political and Technical IGR Fora.

Fighting corruption

The fight against corruption is a fight that the country cannot afford to lose. The department continues to ensure that 75 percent of maladministration and fraud complaints are acted upon within three months of being reported to national and provincial hotlines as well municipalities. Eleven municipalities will be monitored on the extent to which anti-corruption measures are being implemented. The work with Ethics SA continues and is gaining momentum, while the Department plans to capacitate nine municipalities on ethics and integrity management.

Capacity Development

The department continues to support municipalities with the institutionalisation of Performance Management System (PMS), and in 2019/20 five Municipalities will be supported to institutionalise Performance Management (Mogale City, West Rand District, Merafong, Lesedi and Midvaal).

Municipalities are being supported with the standardisation of Human Resource processes and in the coming financial year, eleven municipalities will be provided with technical and advisory support on Human Resource processes. Eleven Municipalities will be supported to comply with Municipal Structures Act regulations in terms of the appointment of Senior Managers. Seventy-five percent of Section 54(a) and 56 posts are currently being filled in Gauteng Municipalities and the department plans to attain a success rate of one hundred percent in 2019.

CoGTA developed the Scarce and Critical Skills Strategy (2010) with the view of increasing the competence, efficiency and effectiveness of officials in Municipalities, within the core functional areas. The timeframe for the realisation of the goals of the strategy stretched from 2010 until 2015. In 2015/16 a documentary review was conducted, focusing on national and provincial policy, and strategic documents that have a bearing on the mandate of CoGTA. The Scarce and Critical Skills Strategy (2010) was also reviewed with the aim of ensuring a thorough understanding of all key issues relating to the strategy; and to elicit the overall purpose and objectives thereof; while outlining the anticipated impacts within all Gauteng Municipalities. As part of implementing the scarce and critical skills strategy in Gauteng Municipalities, CoGTA continues to build capacity in municipalities based on the needs analysis. Municipalities will be supported with capacity building interventions in project management, revenue management, supply chain management, contract management and technical skills. Empowering section 79 committees of councils including the Management Performance Assessment Tool (MPAT), continues to be a priority for the department, and one hundred councillors will be enrolled on the oversight qualification. Five Municipalities will be supported to institutionalise the Performance Management System (Mogale City, West Rand District, Merafong, Lesedi and Midvaal).

In an effort to turn municipalities at risk around, the department will deploy the services of two technical teams of eighteen individuals to the West Rand and Sedibeng Districts, as well as the local municipalities of the 2 districts. The team will comprise of the following:

- Engineers (Civil, Electrical, Roads, Water and Sanitation);
- Development Planners;
- Economist.

Financial Viability

The implementation of the Government Debt strategy initiative was intended to ensure that both Provincial and National Government Departments pay Municipalities for the rates, taxes and services owed to Municipalities. The support initiative was implemented by Gauteng COGTA and Gauteng Treasury through the coordination of the monthly Debt Management Committee engagements. To date, extensive progress has been made with regards to the implementation of the Government Debtors strategy resulting in the regular payment of current accounts by Provincial Departments.

Many municipalities could not recover the cost or break-even on services such as water and electricity as they were charging consumers lower, rates and in turn were not able to meet financial obligations. On the other hand, high tariffs lead to non-affordability for the services rendered by the Municipalities. The department developed a tariff model to be implemented in the 2019/20 financial year, which will ensure municipalities implement sound tariff structures that provide them with good financial health and enables them to deliver proper services for the foreseeable future. Implementation of cost reflective tariffs will address weaknesses and strengthen financial health, ensuring that resources are available to fund the level and quality of services expected by households.

The department plans to continue with key support projects e.g. data cleansing, Government Debt, OPCA Provincial Coordinating Committee and support to municipalities in relation to GRAP 17. Municipalities require financial stability to be able to deliver critical services to citizens. Four municipalities will be provided with financial support to update and maintain Infrastructure Asset Registers in line with the GRAP 17 requirements (the Rand-West City, Merafong, Lesedi, and Emfuleni, LMs) in 2019/20. Three municipalities will be provided with additional capacity to implement the developed simplified revenue plans (Emfuleni, Merafong and Rand-West City).

Community Development

CDWs plays a critical role in disseminating information and community mobilisation to participate in monthly thematic planned campaigns/initiatives; as well as other ad-hoc campaigns organised by government, private institutions, government agencies and civil society organisations to inform and build capacity. The Department intends to support twelve thematic programmes in the 2019/20 financial year. CDW's will further identify blockages that delay service delivery and report them to the relevant government departments and entities for attention and speedy resolution; providing support to nine municipalities (six Local Municipalities and three Metros).

Disaster Management

For the past three years, the department embarked on the re-establishment of the Provincial Disaster Management Centre. It is expected that the centre will start operating by 1st April 2019. Currently, the centre has ten staff members assigned to it. The recommended structure requires close to one hundred positions. The department plans to finalise the Provincial Disaster Management Centre to a minimum level of operations in the next financial year. One of the focus areas will be on the installation of ICT servers and equipment for server rooms. The department plans to acquire a Whole-of-Society disaster-management system that includes Radar, C-more and AFIS (Early Warning Systems). The department plans to support, monitor and develop disaster plans for the sector departments and municipalities.

The department intends to continue conducting disaster management awareness campaigns in high risk areas to reduce unsafe behaviour which should ultimately lead to saving lives. Four disaster-risk-assessments are planned in vulnerable areas as identified in the macro-risk assessment. One hundred and fifty fire and rescue services officials will be trained in the Incident Command System.

Traditional institutional Management

Gauteng Province has two recognised traditional communities (namely Amandebele Ndzundza Sokhulumi traditional community under the leadership of Inkosi MP Mahlangu, located in Sokhulumi and Amandebele Ba Lebelo traditional community, under the leadership of Kgosi KC Kekana situated in Hammanskraal, Majaneng). In 2017, the department recognised four headmen in the Amandebele ba Lebelo traditional community in line with legislative prescripts. The positions existed before the moratorium but were not filled. Unfortunately, the same recognition could not be granted in the case of the Amandebele Ndzundza Sokhulumi on account of the national moratorium on the recognition of new leadership positions, particularly the position of headman.

The support to Traditional Councils will be focused on assisting them to perform their functions in adherence to legislative prescripts and enhanced accountability. The Department is able to resolve succession claims or disputes and this is done to improve administrative justice and the application of the legislative framework. The department plans to monitor registered initiation schools in terms of their compliance with National Guidelines requirements and Legislation. Traditional Leaders will be supported to participate in municipal councils in terms of section 81 of the Municipal Structures Act. They will also be supported to participate in the IDP processes.

In contributing to province-wide infrastructure planning and performance, the department will organise and manage the provincial and municipal infrastructure development and service delivery coordinating structures. The aim of the structures is to facilitate the implementation of infrastructure projects that will influence the spatial planning of the province. The Department will monitor the allocation of MIG funds for the implementation of capital projects. The department will continue the work currently undertaken with the Rand Water Board on water conservation.

4. REPRIORITISATION

The department has identified funds from items that are not essential in order to accommodate projects that are related to Deliverology. The reprioritized funds will assist the department to finalize the intergovernmental relations strategy and

Gauteng Energy Security Strategy with the latter not being finalized during 2018/19 financial year. The reprioritized funds will also be utilized to finalize the procurement of ICT equipment for the Provincial Disaster Management Centre to meet requirements as prescribed by the National Disaster Management Framework due to over commitments on the Disaster Management allocation for the coming financial year in order to meet its primary objective of ensuring that the level of disasters are always contained within the Province. The department has been trying to eliminate inefficiencies through cost saving measures in order to finance core functions through reprioritizations of funds from program 1: Administration to program 3: Development Planning. This will enable the department to ensure that the PDMC is finally operational and fully functional by the end of the coming financial year.

Reprioritised funds will assist the department with the procurement of big screens in the Centre in order to link the Centre and its activities to all municipalities and national disaster management centre at all levels to simplify and mitigate all disasters in the Province. Reprioritisation of the budget in the 2019 MTEF period will also enable the Department to conduct feasibility studies of the heritage sites of Amendable Ndzunza Sokhumi and Amendable Ba Lebelo which were delayed during 2017/18 and 2018/19 financial years due to limited funding.

5. PROCUREMENT

The department will be implementing and undertaking the below projects for the coming financial year:

- Provide capacity building in technical skills with reference to B2B;
- Provide ICT equipment for the Provincial Disaster Management Centre;
- Procure revenue experts support to implement effective credit control and debt collection policies;
- Develop a disaster management information system for communication at the PDMC;
- Conduct a feasibility study for the two traditional council's heritage sites not done during prior year;
- Continue to support municipalities in developing and adopting their public participation frameworks;
- Provide continuous training and development for ward committees in all municipalities; and
- Provide training for municipal officials and councillors on IDP, budgets and the PMS.
- Provide early warning infrastructure systems for weather related events in the PDMC;
- Provide ICT system licensing and expansion of the Disaster Information Management System(DIMS);
- Provide IT equipment and big Screens and awareness campaigns for PDMC;
- Provide automated meter reading for large power users at Emfuleni Local Municipality; and
- Procure water harvesting tanks for 100 schools.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 7.1: SUMMARY OF RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	406 972	514 463	477 041	466 235	531 235	531 235	560 278	526 662	565 980
Conditional grants		2 000	2 000	2 000	2 000	2 000	2 004		
Total receipts	406 972	516 463	479 041	468 235	533 235	533 235	562 282	526 662	565 980

The expenditure of the department increased from R407 million in 2015/16 to R479 million in 2017/18. The expenditure was incurred by filling of vacant positions as per the approved organisational structure, procurement of disaster management centre building, and procurement of relief material to support interventions in respect of the floods in the province. Funds were transferred to support municipalities as part of service delivery interventions by the department through water infrastructure projects, installation of high mass street lights in Boiketlong for improved visibility, and provision of tools of trade for the CDWs. Following the establishment of Rand West Local Municipality, the department supported the municipality by providing training on project management, financial management, and implementing the recommendations of the job evaluation report. Also included in the expenditure was the expanded public works' programme (EPWP) conditional grant amounting to R2 million to support job creation initiatives in communities.

In 2018/19 the budget was R468 million, and was adjusted upwards by R65 million to R533 million to provide for corporate services requirements for running of the departmental operational requirements of the PMDC, and to provide for the voter education projects for the upcoming national elections. The budget will also provide capacity for intervention initiatives to support municipalities through training and skills transfer projects. In relation to GRAP 17, funded municipalities were able to achieve better results on property, plant and equipment, including movable asset management. Performance Management System (PMS) funding assisted municipalities to achieve optimal synthesis of three levels of institutional,

departmental and individual goals set out in the municipal IDP. The budget also assisted the Department in concluding the renovation of the Provincial Disaster Management Centre in relation to the partitioning of the building, installation of the electric equipment, and procurement of the furniture. The additional funding amount of R65 million in 2018/19 also provided for the refurbishment of the water pump station in Emfuleni; water infrastructure pipe repairs in Merafong; and the leasing of fire-fighting vehicles in West rand District.

The MTEF allocation increased from R562.3 million to R566 million between 2019/20 and 2021/22. The budget of R562.3 million in 2019/20 includes R65 million allocated for specific priorities in the department. R20 million is allocated for the refurbishment of the water pump station in Emfuleni Local Municipality, and R45 million is allocated for the operational requirements for the disaster management services in West Rand District Municipality. Over the MTEF, the budget will fund the department's operational requirements and support municipalities with GRAP 17 in 2019/20 and PMS projects over the MTEF. The budget will also be utilised to fund procurement of the ICT equipment and the early warning infrastructure for providing early warning information; establishment of interoperability radio communication that will improve communication within and across agencies; and coordinate and manage disaster response and recovery initiatives. The budget will further cater for the prevention of the outbreak of fires; training of ward councillors and CDW's; provide support for water conservation initiatives; and assist the department in implementing the Gauteng Energy Security Strategy as approved by EXCO.

6.2 Departmental receipts

TABLE 7.2: DEPARTMENTAL RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	292	276	282	166	306	141	174	184	194
Interest, dividends and rent on land		27		30	30		32	34	36
Transactions in financial assets and liabilities	66	1 440	209	367	227	92	388	409	431
Total departmental receipts	358	1 743	491	563	563	233	594	627	661

The departmental receipts increased from R358 000 in 2015/16 to R1.7 million in 2016/17 due to unspent funds returned from the City of Tshwane Metropolitan Municipality. The purpose of the grant to the municipality was to support the municipality with its debt management system. The budget for departmental receipts amounted to R563 000 in 2018/19. This budget consists of transactions in financial assets and liabilities which are mainly the staff debt repayments as well as sales of non-capital goods and services, which encompass staff parking fees, and third-party transactions such as commissions. Interest on staff debt contributes a small proportion to total departmental receipts.

Departmental receipts budget for 2019/20 amounts to R594 000 and will increase to R661 000 over the MTEF. The increase is informed by inflation adjustments. The Department is not a revenue generating institution due to the service it renders.

7. PAYMENT SUMMARY

7.1 Key assumptions

The assumptions that underpin the department's 2019/20 expenditure are summarised below. The anticipated average wage increase was anticipated to be 6.3 percent in 2019/20 and 6.5 percent for 2020/21 and 2021/22 respectively. A 5.3 percent increase in general goods and services is anticipated in 2019/20, 5.5 percent in 2020/21 and 5.5 percent in 2021/22, in line with the projected consumer price index (CPI). The following elements have been taken into consideration when determining budgets for personnel and other economic classifications for the 2019 MTEF:

- Number of staff, vacancies, and possible changes over the MTEF;
- Basic salary costs, including improvements in conditions of service adjustment from 1 April of each year;
- Salary increases for officials with occupation-specific dispensations (OSDs);
- Provision for filling vacant posts because of the approved structure of the Department by DPSA;
- The need to fill CDW vacancies in all wards as delayed during the 2018/19 financial year;

- The procurement of ICT equipment for the new PDMC building and procurement of Disaster Management early warning systems;
- Provide support with revenue experts to implement effective credit control and debt collection policies;
- Provision for early warning infrastructure systems for the dissemination of information during disasters across all centres;
- The continuation of provision and monitoring of water-harvesting systems to be installed in municipalities across the number of schools;
- Provision of Urban Search and Rescue (USAR) Preparatory Exercise for the Province.

7.2 Programme summary

TABLE 7.3: SUMMARY OF PAYMENTS AND ESTIMATES: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	105 531	120 292	124 590	144 284	137 284	128 715	145 792	155 107	164 325
2. Local Governance	206 287	196 722	214 955	215 389	221 389	211 601	230 532	247 793	264 945
3. Development Planning	50 231	128 805	82 103	95 983	158 483	168 058	168 062	106 615	114 820
4. Traditional Institutional Management	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890
Total payments and estimates	368 851	455 876	432 917	468 235	533 235	523 242	562 282	526 662	565 980

7.3 Summary of economic classification

TABLE 7.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	316 519	369 180	389 829	445 367	471 596	446 603	488 886	501 945	540 062
Compensation of employees	247 479	275 335	291 523	319 895	319 895	309 902	341 648	363 855	393 691
Goods and services	69 040	93 845	98 306	125 472	151 701	136 701	147 238	138 090	146 371
Interest and rent on land									
Transfers and subsidies to:	50 659	50 861	26 231	8 746	50 713	65 713	53 104	3 310	3 492
Provinces and municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Households	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Payments for capital assets	1 170	35 769	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Buildings and other fixed structures		31 600							
Machinery and equipment	1 170	4 169	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Software and other intangible assets									
Payments for financial assets	503	66	64		32	32			
Total economic classification	368 851	455 876	432 917	468 235	533 235	523 242	562 282	526 662	565 980

The Departmental expenditure increased from R368.9 million in 2015/16 to R455.9 million in 2016/17, and to R432.9 million in the 2017/18 financial year. The increase was mainly for procurement of the PMDC building; disaster relief funding in respect of the floods in the province; water infrastructure for Emfuleni and Merafong Municipalities; procurement of the tools of trade for staff and CDW's; and to support the merger of Westonaria LM and Randfontein LM to form Rand West Municipality.

During 2018/19 the department budget was increased to R533.2 million for support to municipalities, and to lease fire engines for the West Rand District municipality, which will improve coverage and the response time for fire and rescue services. The budget also provides for renovations and capital requirements of the PDMC; water projects through the distribution of water tankers to affected communities (for rain water harvesting), supporting CDW's outreach programmes; and training of ward councillors and CDW's on IDP framework; and to conduct disaster related education and awareness campaign.

The budget increased from R533.2 million in 2018/19 to R566 million in the 2021/22 financial year. A large part of the increase is allocated for completion of the renovations and operational requirements of the PDMC; including procurement of a mobile-venue-operation-centre-vehicle, and unmanned aerial vehicles to conduct disaster risk assessments. The department will roll-out water conservation initiatives, facilitate capacity interventions, effecting continued support across all municipalities, and conduct CDW's outreach programmes to improve service delivery in communities. The budget will provide further support to enhance the capacity of traditional councils, and to implement the Gauteng Energy Security Strategy as approved by EXCO. Included in the allocation of R562.3 million in 2019/20 is a once-off additional funding amount of R45 million in respect of operational requirements for the disaster management in Westrand. Over the MTEF the budget will also cater for the procurement of revenue experts to implement effective credit control, and debt collection policies in municipalities, particularly those that are financially dysfunctional.

Programme 1: The expenditure in this programme increased from R105.5 million in 2015/16 to R124.6 million in 2017/18. The increase is attributed mainly to the procurement of tools of trade for the staff; provision of training and development of staff through allocation of bursaries and training; advertising of vacant posts and tenders in the department; support for MEC's outreach programmes; and operational requirements of the department. The increase in 2018/19 caters for property maintenance services, support for employee health and wellness programmes, ICT requirements, Microsoft licence fees and devices to support departmental activities.

Over the MTEF the budget increases from R145.8 million in 2019/20 to R164.3 million in 2021/22 and is mainly for the provision of the refurbishment of the building that will be acquired to accommodate staff; the procurement of the ICT infrastructure; training and development of staff; legal fees; the provision of G-fleet services to support departmental activities; and to provide general corporate support services required by the department.

Programme 2: The programme expenditure is listed as R206.3 million in 2015/16, R196.7 million in 2016/17 and R215 million in 2017/18. The expenditure incurred supported the merger of Randfontein and Westonaria Local Municipalities, to establish Rand West municipality; the installation of a water pump station; electricity infrastructure; and a waste collection project for Emfuleni Local Municipality. Following the establishment of RandWest Local Municipality, the department transferred an amount of R18.2 million for the implementation of recommendations on the job evaluation report; providing training to municipalities on contract management; business processes reengineering; revenue management to enhance revenue generation, and conducting of training of CDWs and ward counsellors.

The programme's budget increases from R215.3 million to R221.3 million during the 2018/19 adjustment budget process due to the programme receiving an additional provincial funding amount of R10 million for the voter education awareness programme in relation to the 2019 general elections. The 2018/19 budget provides for roll-out of training of municipal officials on contract; financial management and business processes re-engineering; the deployment of multi-disciplinary technical assistance team, to address service delivery challenges; to conduct training on talent management and employee relations; roll-out simplified revenue strategy to Merafong and Midvaal Local Municipalities, to enhance revenue collection; and to develop effective credit control and debt collection policies to improve revenue management .

The allocation increases from R230.5 million to R264.9 million over the MTEF period to fund CDW programmes to enhance service delivery and support to municipalities. The budget will further fund the GRAP 17 project for improved compliance on asset management practices, automation of Performance Management System, roll-out of the simplified revenue enhancement strategy, establishment of customer care system, implementation of viability assessment studies, and constant evaluation of the implementation of a clean audit.

Programme 3: The increase of expenditure from R50.2 million in 2015/16 to R82.1 million in 2017/18 was due to the procurement of the building for the PDMC and disaster relief material in respect of the floods in the province; settlement of the report produced on the state of readiness for the PDMC; installation of a water pump station in Emfuleni; electricity infrastructure to assist the municipalities with service delivery backlogs; and the provision of water tankers for communities to address water challenges in municipalities.

The budget is increased by R55 million from R95.9 million to R158.4 million during the adjustment budget process of 2018/19. The additional funding amount of R55 million comprises of R20 million allocated for the water infrastructure pipe repairs in Merafong; R20 million for the refurbishment of the water pump station in Emfuleni; and R15 million allocated for the leasing of fire-fighting vehicles in West Rand District. The main budget for 2018/19 includes funds allocated for renovations of the PDMC through office internal fit out, installation of WAN and LAN, procurement of Hydro-net (weather monitoring) system, roll out of smoke detector project in informal settlements (as part of fire prevention strategy), and to support water conservation projects to reduce water losses.

The budget decreases from R168.1 million in 2019/20 to R114.8 million in 2021/22, mainly due to the programme receiving a once-off additional funding amount of R45 million in respect of operational requirements for the disaster management in Westrand in 2019/20. The budget over the MTEF will fund the development of the Gauteng Provincial Disaster Management Policy Framework, that will provide guidance on promoting a uniform approach towards disaster management, and ensure compliance by municipalities. Furthermore, the budget will fund operational requirements of the PMDC, provide disaster

relief material, and conduct public awareness programmes to educate and enhance community-based disaster preparedness. The budget will also provide for training of ward councillors and CDW's on IDP framework and implementation of the Gauteng Energy Security Strategy.

Programme 4: The Traditional Institutional Development Budget will grow from R17.9 million to R21.8 million over the 2019 MTEF to support and enhance the capacity of traditional leadership, and local governance institutions in the City of Tshwane (Amandebele Ba Lebelo and Amandebele Ndzunza Sokhumi traditional councils). In addition, the budget will enable the department to conduct feasibility studies for the heritage sites that were delayed during 2017/18. The budget over the MTEF will be utilised to implement intra-governmental relations (IGR) strategy in all sister departments and commemorate heritage events for the traditional councils.

Compensation of Employees: provides for the annual salary adjustments, pay progression, and will also enable the Department to capacitate the programmes in line with the approved structure. Expenditure increased from R247.5 million in 2015/16 to a projected budget of R393.7 million in 2021/22. This is primarily an inflationary adjustment over the seven-year horizon.

Goods and services: Expenditure increased from R69 million in 2015/16 to R98.3 million in 2017/18 to cater for departmental operational requirements (i.e. to fund the hosting of broad intersectoral engagements and traditional stakeholder indaba), commemoration events for the traditional councils, training of municipalities on simplified revenue strategy, and contract and financial management. It also provided for the voter education programmes on local government elections, disaster-related awareness campaigns, provision of water tankers for rainwater harvesting, and the monitoring of initiation schools for compliance. The MTEF budget, increases from R147.2 million to R146.4 million, to support municipalities through capacity intervention initiatives, PDMC operational requirements, CDW's outreach programmes, capacitation of traditional leadership and local governance institutions, procurement of equipment for staff, and general maintenance activities for the running of the department.

Machinery and equipment: Spending was R1.2 million in 2015/16 and it increased to R16.8 million in 2017/18 mainly because of the procurement of the PDMC building, construction and installation of LAN and office fit-out of the PDMC, and the purchase of tools of trade and equipment. The 2018/19 budget will fund the procurement of the disaster management information system, mobile-venue-operation-centre-vehicle, unmanned aerial vehicle to conduct disaster risk assessment, and procurement of ICT equipment. Over the MTEF, the budget increases from R20.3 million to R22.4 million, for procurement of the infrastructure requirements and equipment of the PDMC and the department.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

N/A

7.4.2 Departmental Public-private-partnership (PPP) projects

N/A

7.4 Transfers

7.4.3 Transfers to public entities

N/A

7.4.4 Transfers to other entities

N/A

7.4.5 Transfers to local government

TABLE 7.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A									
Category B	48 988	40 884	25 136	5 500	25 500	25 500	5 504	1 500	1 500
Category C				1 500	39 000	39 000	46 500	500	500
Total departmental transfers	48 988	40 884	25 136	7 000	64 500	64 500	52 004	2 000	2 000

The department transferred a total of R49 million during the 2015/16 financial year to support the projects aligning the records of the municipalities during the merger of Randfontein and Westonaria local municipalities. The transfers in 2016/17 were informed by the following activities: installation of water pump station in respect of water infrastructure projects, electricity infrastructure, waste collection project for Emfuleni Local Municipality and the provision of water tankers. The department further transferred R25.1 million during the 2017/18 financial year to address Rand West Municipality's post-merger challenges of salary disparities.

The 2018/19 budget amounted to R64.5 million to provide for the GRAP 17 project for the improved compliance on asset management practices, cascading and automation of performance management system, and the Expanded Public Works Programme (EPWP) grant, for the job creation programme that aims to reduce poverty within communities. Over the 2019 MTEF period, the Department will transfer funds to support municipalities with GRAP 17 in 2019/20, and PMS projects over the MTEF. The budget amounts to R52 million in 2019/20 due to a once-off R45 million payment allocated to the department, to be transferred to West Rand District Municipality, to fund the operational requirements for the disaster management services, before decreasing to R2 million in 2022/23.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The goal of this programme is to strengthen and align the department's organisational capacity and capability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (HR, financial management, SCM, ICT, risk management and facilities management). The programme ensures effective and efficient leadership, management and administrative support to the core business of the department by refining organisational strategy and structure in compliance with appropriate legislation and practice. The programme's outputs reflect Pillar 5 (modernisation of the public service which seeks to achieve an efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenry).

Programme objectives are to:

- Ensure that HRM is a strategic partner with all units in the department;
- Provide effective legal services to the department;
- Provide efficient and effective facilities management to the department;
- Provide efficient, effective and stable ICT infrastructure and support to the department;
- Ensure prudent financial management, efficient and effective SCM, and systems to ensure financial planning and budgeting are aligned with the department's strategic plan;
- Maintain effective, efficient and transparent risk management and financial systems, as well as controls, to safeguard Departmental assets; and
- Ensure good governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility within departmental operations.

Key policies, priorities and outputs

- Develop policies, provide strategic direction as well as monitor and evaluate the department's programmes, support services and operations;
- Render strategic and focused HRM support to ensure effective execution of the department's functions and strategy;
- Render effective and economic financial management services to the department, as well as ensure the alignment of strategy and budget in addition to managing expenditure, reporting, and the supply chain;
- Render corporate services within the department and ensure the efficient execution of the Department's functions and strategy (structure; resources: budget, physical and human; systems);
- Manage the risk strategy of the department;
- Anti-corruption enforcement;
- Building capacity and capability to professionalise the department;
- Monitor and support legislative compliance;
- Facilitate access to information;
- Provide sound legal advice and support to the department; and
- Provide gender mainstreaming activities and female counsellor training.

TABLE 7.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The Mec	3 839	3 065	3 031	5 203	5 203	4 989	5 497	5 799	6 118
2. Corporate Services	101 692	117 227	121 559	139 081	132 081	123 726	140 295	149 308	158 207
Total payments and estimates	105 531	120 292	124 590	144 284	137 284	128 715	145 792	155 107	164 325

TABLE 7.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	102 187	117 169	115 902	136 644	130 145	121 576	138 468	147 341	156 132
Compensation of employees	71 754	79 573	80 017	93 432	89 932	82 514	93 825	101 776	107 374
Goods and services	30 433	37 596	35 885	43 212	40 213	39 062	44 643	45 565	48 758
Transfers and subsidies to:	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Provinces and municipalities									
Non-profit institutions									
Households	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Payments for capital assets	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Buildings and other fixed structures									
Machinery and equipment	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Software and other intangible assets									
Payments for financial assets	503	66	64		32	32			
Total economic classification	105 531	120 292	124 590	144 284	137 284	128 715	145 792	155 107	164 325

The expenditure increased from R105.5 million to R124.6 million during the 2015/16 and 2017/18 financial years. The increase funded the provision of corporate support services, including support for the MEC's Izimbizo in respect of local government elections, the purchase of tools of trade for staff, and operational costs (such as telecommunications services, fleet services and software license payments).

The allocation amounts to R137.3 million in 2018/19 and increases from R145.8 million in 2019/20 to R164.3 million in 2021/22. The budget will fund the provision of Electronic Content and Document Management System (ECDM), to manage the departmental central institutional repository for knowledge and information sharing and exchange, ICT requirements to prepare the new environment prior to occupation (including the server room, furniture and equipment for staff, payments for g-fleet services, bursaries, communication equipment, staff training and software licence fees).

Compensation of employees: The personnel costs increased from R71.8 million in 2015/16 to R80 million in 2017/18 to fund the departmental capacity as per the approved organisational structure. The budget will increase from R90 million in 2018/19 to R107.4 million in 2021/22.

Goods and services: Spending increased from R30 million to R35.9 million during the first three financial years, to cater for voter education programmes, settlement of property payments, audit fees for regulatory audit services, software licence fees, and to fund the operational requirements of the department.

The budget for operational costs amounts to R40.2 million in 2018/19 and it will increase from R44.6 million in 2019/20 to R48.8 million in 2021/22. Such operational costs to be funded in the budget include staff bursaries, fleet services, legal costs and security services.

Transfers and subsidies: The payment of pension benefits for ex-development board members and injury-on-duty claims decreased from R1.7 million in 2015/16 to R1.1 million in 2017/18. The budget remains constant over the MTEF period.

Machinery and equipment: The replacement of office computers, furniture and equipment in the department increased the expenditure to R7.5 million in 2017/18 versus R1.2 million spent in 2015/16 and R1.8 million spent in 2016/17 for the procurement of tools of trade.

The budget will increase from R6.2 million in 2019/20 to R6.9 million in 2021/22 to fund the procurement of tools of trade and ICT infrastructure for the acquired building.

PROGRAMME 2: LOCAL GOVERNANCE

Programme description

The Local Governance Programme seeks to strengthen the developmental state by enhancing participatory governance and institutional stability, as well as by building the capacity, and capability of local government to achieve its constitutional mandate. The goal of the programme is to promote and facilitate viable and sustainable local governance in line with Pillar 4: Transformation of State and Governance.

The objectives of this programme are to:

- Provide management and support services to local government within the regulatory framework;
- Monitor and support municipalities to ensure financially viable and sustainable municipalities in accordance with applicable Acts;
- Deepen democracy by promoting community participation through appropriate structures, processes and systems, and by facilitating access to government services;
- Coordinate, cooperate and integrate support and monitor capacity building initiatives;
- Improve municipal performance through enhanced monitoring, reporting and evaluation;
- Improve the image of local government;
- Implement a differentiated approach to local government in the Province;
- Monitor and support legislative compliance;
- Establish and support viable and accountable governance structures;
- Promote intergovernmental and stakeholder relations, as well as improved integration and planning;
- Facilitate the devolution of powers and functions to ensure stable local government;
- Improve public participation;
- Implement an appropriate finance model for local government to promote sustainability and viability;
- Enforce anti-corruption measures in municipalities;
- Provide urban management and built-environment planning;
- Build capacity and capability towards improving professionalism in local government;
- Develop policy towards differentiated approaches and social inclusivity;
- Enhance participatory governance through CDW programmes; and
- Facilitate access to basic services for poor communities.

TABLE 7.8: SUMMARY OF PAYMENT AND ESTIMATES: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Municipal Administration	27 104	11 867	11 492	14 458	13 458	13 318	14 913	15 975	16 855
2. Municipal Finance	10 876	15 802	9 148	10 892	10 892	8 124	12 366	13 282	14 011
3. Public Participation	130 964	137 007	146 988	154 473	163 473	159 527	166 102	178 026	191 339
4. Capacity Development	26 452	18 056	32 847	19 111	17 111	14 177	18 881	20 738	21 867
5. Municipal Performance Monitoring, Reporting And Evaluation	10 891	13 990	14 480	16 455	16 455	16 455	18 270	19 772	20 873
Total payments and estimates	206 287	196 722	214 955	215 389	221 389	211 601	230 532	247 793	264 945

TABLE 7.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	168 299	182 809	186 819	210 389	216 389	206 601	225 532	245 683	262 719
Compensation of employees	143 203	160 942	168 893	178 855	178 855	178 855	192 192	204 928	219 722
Goods and services	25 096	21 867	17 926	31 534	37 534	27 746	33 340	40 755	42 997
Transfers and subsidies to:	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Provinces and municipalities	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for capital assets			5 000						
Buildings and other fixed structures									
Machinery and equipment			5 000						
Payments for financial assets									
Total economic classification	206 287	196 722	214 955	215 389	221 389	211 601	230 532	247 793	264 945

The expenditure increased from R206.3 million to R215 million between the 2015/16 and 2017/18 financial years to fund the department's interventions to support municipalities. The key interventions included facilitating the seamless transition during the merger of Westonaria and Randfontein local municipalities; the installation of electricity infrastructure and waste collection projects for Emfuleni municipality; and the provision of financial support for Rand West Local Municipality to address the challenges of salary disparities. The department established organisational development, designed framework, and designed the tariff model for revenue management in municipalities.

The budget amounting to R221.4 million in 2018/19 provides for the development of credit control and debt collection policies; the establishment of the customer-care system; implementation of the simplified revenue enhancement strategy/plan in Merafong and Midvaal local municipalities; the rollout of the capacity intervention through training and skills transfer to targeted municipalities; and for conducting human resource audit in municipalities.

The budget is set to increase from R230.5 million in 2019/20 to R264.9 million in 2021/22 to fund the continuation of interventions in municipalities such as the institutionalisation of performance management systems, GRAP 17 and the capacity building programme in financial management, project management and contract management. The department will provide training to CDWs and ward counsellors in the new term of governance and will provide services of multi-disciplinary professional resource to municipalities to address service delivery challenges. The department will continue with the rollout of human resources audits in six municipalities and conduct research evaluation study on the functionality of municipal council committee.

Compensation of employee's expenditure: The expenditure relates to the deployment of CDWs and the filling of vacant posts. The expenditure increased from R143.2 million in 2015/16 to R168.9 million in 2017/18 and the budget is set to increase from R178.9 million in 2018/19 to R219.7 million in 2021/22.

Goods and services: The department spent between R25 million and R17.9 million during the first three financial years under review. The key deliverables produced during this period were the public participation forum to work with ward committees, feedback sessions on monitoring of the implementation of the Municipal Property Act No 29 of 2014, induction session for women counsellors on Gender Youth and People with Disabilities, training of CDWs on CDW framework, outreach programs for service delivery enhancements, and the implementation of the simplified revenue strategy.

The budget increased from R33.3 million to R43 million. Key deliverables over the 2019 MTEF are the training of ward counsellors and CDWs, conducting of research studies, implementation of the revenue management strategy in Merafong and Midvaal local municipalities, capacity interventions on talent management and employee relations, and the training of women councillors.

Transfers and subsidies: Transfers relate to the financial support provided to municipalities. The R38 million spent in 2015/16 facilitated the integration of records during the merger of the Randfontein and Westonaria local municipalities to establish RandWest Local Municipality. The R13.9 million transferred in 2016/17 funded the project of correcting the resultant salary disparity following the abovementioned merger. It also funded the installation of electricity infrastructure and the waste collection project for Emfuleni Local Municipality.

The budget for transfers is projected to decrease gradually from R5 million to R2.2 million over the MTEF to support municipalities with transition processes, to migrate from manual to electronic information on performance targets (PMS), and assets management support (GRAP 17) to enhance compliance with the standard in maintaining and updating the assets register to ensure clean and sustainable governance.

Machinery and equipment: The department purchased tools of the trade worth R5 million for the CDWs in 2017/18.

SERVICE DELIVERY MEASURES

PROGRAMME 2: LOCAL GOVERNANCE

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of municipalities supported to maintain functional ward committees Outcome 9, Sub-outcome 2) (B2B Pillar 1).	New indicator.	9	9	9
Number of thematic campaigns supported as per government programmes	4	12	12	12
Number of municipalities supported to respond to community concerns (Outcome 9, Sub-outcome 2) (B2B Pillar 1)	New indicator.	9	9	9
Number of stakeholder profiling initiatives on community development and public participation special projects.	New Indicator.	New Indicator.	1	1
Number of municipalities with functional statutory council committees.	New Indicator.	4	3	3
Percentage of maladministration and fraud complaints acted upon within 3 months of reporting to national, provincial hotlines and municipalities.	New Indicator.	70%	75%	75%
Number of municipalities monitored on the extent to which anti-corruption measures are implemented (Sub-outcome 4) (B2B Pillar 3).	4	11	11	11
Number of municipalities capacitated on ethics and integrity management.	New Indicator.	9	9	9
Number of municipalities supported to implement indigent policies (Outcome 9, Sub-outcome 1) (B2B Pillar 2).	New Indicator.	9	9	9
Number of Provincial Indigent Policy Frameworks developed.	New Indicator.	New Indicator.	1	1
Number municipalities provided with municipal governance support.	New Indicator.	11	11	11
Number of women councillors inducted on GEYODI.	50	50	50	50
Report on the implementation of Back-to-Basics action plans by municipalities (Outcome 9, Sub-outcome 4) (B2B Pillar 5).	3	4	4	4
Number of Municipalities provided with financial support to update and maintain Infrastructure Asset Registers in line with the GRAP 17 requirements.	4	4	4	4
Number of Municipalities provided with additional capacity to implement the developed simplified revenue plans	2	2	3	3
Number of municipalities supported to institutionalise Performance Management System.	2	5	5	5
Number of municipalities supported with the standardisation of Human Resource processes.	5	11	11	11
Number of capacity building interventions conducted in municipalities (Outcome 9, Sub-outcome 3) (B2B Pillar 5).	5	5	5	5
Number of Municipalities supported to comply with MSA regulations in terms of the appointment of Senior Managers (Outcome 9, Sub-outcome 4) (B2B Pillar 5).	11	11	11	11
Number of municipal performance reports against the 4 key performance areas of Local Government.	4	4	4	4
Number of Section 47 reports compiled as prescribed by the Municipal Systems Act (Outcome 9: Sub-outcome 4) (B2B Pillar 5).	1	1	1	1
Number of municipal mid-term review reports compiled.	New indicator	New indicator	1	1
Number of reports in terms of Section 131 of the Municipal Finance Management Act.	1	1	1	1
Number of municipal compliance reports in terms of Municipal Finance Management Act; Municipal Property Rates Act; Municipal Systems Act and Remuneration of Public Office Bearers Act.	4	4	4	4
Number of municipalities guided to comply with the Municipal Property Rates Act (Outcome 9: Sub-outcome 5) (B2B Pillar 4).	1	1	1	1

PROGRAMME 3: DEVELOPMENT AND PLANNING**Programme description**

The purpose of the programme is to coordinate, facilitate, and promote integrated development and planning in municipalities, to ensure that services are delivered in an integrated and sustainable manner in line with transformation of the state and governance.

Programme objectives

- Facilitates and coordinates processes to ensure that municipal IDPs are credible, implementable and aligned with national and provincial outcomes, plans and strategies;
- Ensures strategic management of provincial land for economic and social purposes;
- Ensures accelerated delivery of basic municipal services and infrastructure delivery to meet national targets;
- Provides coordination and support for implementation of the National Disaster Management Act, the Fire Brigade Services Act, and the Disaster Management Framework to ensure effective management of disasters at national, provincial and local level;

- Facilitates integrated urban management and planning;
- Improves integration and planning;
- Increases community-based planning;
- Facilitates access to basic services for poor communities.

TABLE 7.10: SUMMARY OF PAYMENTS AND ESTIMATES: DEVELOPMENT AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Land Use Management	4 755	106							
2. Idp Coordination	3 978	6 312	8 997	10 266	10 266	9 768	11 085	11 962	12 620
3. Disaster Management	21 669	72 133	55 195	64 598	87 098	100 570	114 297	72 880	79 429
4. Municipal Infrastructure	19 829	50 254	17 911	21 119	61 119	57 720	42 680	21 773	22 771
Total payments and estimates	50 231	128 805	82 103	95 983	158 483	168 058	168 062	106 615	114 820

TABLE 7.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	39 231	59 145	75 839	85 755	108 983	103 558	106 990	91 774	99 321
Compensation of employees	28 007	29 650	35 058	39 606	39 606	38 242	42 537	45 069	50 048
Goods and services	11 224	29 495	40 781	46 149	69 377	65 316	64 453	46 705	49 273
Transfers and subsidies to:	11 000	35 700	2 000	2 000	44 500	59 500	47 004		
Provinces and municipalities	11 000	35 700	2 000	2 000	44 500	59 500	47 004		
Payments for capital assets		33 960	4 264	8 228	5 000	5 000	14 068	14 841	15 499
Buildings and other fixed structures		31 600							
Machinery and equipment		2 360	4 264	8 228	5 000	5 000	14 068	14 841	15 499
Payments for financial assets									
Total economic classification	50 231	128 805	82 103	95 983	158 483	168 058	168 062	106 615	114 820

The increase in expenditure from R50.2 million in the 2015/16 financial year to R128.8 in 2017/18 reflects the costs incurred to procure the PMDC building; the disaster material to support interventions for flood-relief; other payments such as the settlement of consultation fees for reports produced on state of readiness for the PDMC; the hydrological study for the centre; disaster campaign sessions to raise awareness on climate change adaption and disaster reduction. The Department provided support to Merafong LM with the installation of a water pump station, electricity infrastructure for Emfuleni LM, and water tankers for rain water harvesting. Included in the expenditure are costs attributed to training on the IDP framework and seminars conducted on broad intersectoral engagements.

The budget will be R168 million in 2019/20 before decreasing to R114.8 million over the MTEF to continue to fund the operational requirements of the centre, conduct disaster-related education and awareness campaigns, fund the establishment of a standardized rank insignia system for fire and rescue services (to promote a streamlined emergency management and incident response time), and continue to rollout the smoke detector project as part of fire prevention strategy. The budget also provides for the engagements and training on IDP framework as well as the implementation of the Gauteng Energy Security Strategy. Also included in the budget for the programme during 2019/20 is the once-off R45 million allocated to the department to be transferred to West Rand District Municipality to fund the operational requirements for the disaster management services.

Compensation of employees: The expenditure on personnel increased from R28 million to R35.1 million during the first three years under review. Increasing the human resource capacity for the PMDC and the filling of OSD positions were the main contributors for the increased expenditure. These factors continue to influence the increase in the budget from R39.6 million in 2018/19 to R50 million in 2021/22.

Goods and services: The department continued to make provision for disaster relief and to contribute towards water conservation initiatives in the province. Goods and services purchased amounted to R11.2 million in 2015/16 and they increased to R69.4 million in 2017/18. The procured goods and services enabled the programme and department to respond to the events of disaster in communities, and to implement measures to harvest rain water through water tanks purchased and installed at schools during the drought season.

The allocation increases to R64.5 million in 2019/20 before decreasing to R49.2 million in 2021/22, to cater for the priorities of the department over the MTEF. These priorities include the operationalisation of the PMDC, disaster relief, implementation of the Gauteng Energy Security Strategy and water conservation initiatives. The PMDC requirements relate to the early warning infrastructure, fleet services, and the emergency management interoperable radio communication. Water conservation initiatives projects will also continue as part of the projects that will be delivered by the Department over the MTEF. In relation to municipal support, the budget provides for the refurbishment of the water pump station in Emfuleni Local Municipality.

Payments for capital assets: The once-off R31.6 million expenditures was incurred due to the procurement of the PDMC building and equipment in 2016/17. The budget for machinery and equipment increases from R5 million in 2018/19 to R15.5 million in 2021/22, to provide for the procurement of ICT infrastructure, office equipment, unmanned aerial vehicles (UAV) and cameras to conduct disaster-risk assessments over large areas, as well as inaccessible areas to take pictures of incidents.

SERVICE DELIVERY MEASURES

PROGRAMME 3: DEVELOPMENT AND PLANNING

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of municipalities supported with development of IDPs (Outcome 9: Sub-outcome 1).	11 Technical Steering Committee Engagements with Gauteng Sector Departments. No target planned.	11 3 Technical Steering Committee (TSC) Engagements with Gauteng Sector Departments. 5 Regional IDP Engagements (Alignment of Municipal IDPs to GPG Annual Performance Plans).	11 3 Technical Steering Committee (TSC) Engagements with Gauteng Sector Departments. 5 Regional IDP Engagements (Alignment of Municipal IDPs to GPG Annual Performance Plans).	11 3 Technical Steering Committee (TSC) Engagements with Gauteng Sector Departments. 5 Regional IDP Engagements (Alignment of Municipal IDPs to GPG Annual Performance Plans).
Number of municipalities monitored on the implementation of infrastructure service delivery programmes (Outcome 9, Sub-outcome 1) (B2B Pillar 5).	6	6	6	6
Number of schools supported with installation of Rainwater Harvesting Systems in the province.	50	100	50	50
Number of Informal Settlements supported with electrification readiness.	New indicator.	10	10	10
Percentage reduction in electricity losses in targeted municipalities.	New indicator.	5%	5%	5%
Percentage of new developments and Mega Projects with township established.	New indicator	10%	15%	15%
Percentage of title deeds issued within 4 months of occupation on new developments and Mega Projects.	New indicator	10%	15%	15%
Number of targeted municipalities assisted with processes for approval of development applications.	New indicator	6	9	9
Number of departments and Municipalities with Red Tape champions.	New indicator	14	9	9
Number of Provincial Disaster Management Centres functional in accordance to the 4 KPA's of the Disaster Management Framework.	Implementation of Phase 3 for the establishment of the PDMC. - Development of Disaster Management policy framework.	Provincial Disaster Management Centre assessed on functionality in accordance to the KPA's 1 and 2 of the Disaster Management Framework.	Provincial Disaster Management Centre assessed on functionality in accordance to the KPA's 3 and 4 of the Disaster Management Framework.	Provincial Disaster Management Centre assessed on functionality in accordance to the KPA's 3 and 4 of the Disaster Management Framework.
Number of municipalities supported to maintain functional Disaster Management Centres.	5	5	5	5
Number of disaster management awareness campaigns conducted in high risk areas.	New indicator	4	4	4
Number of disaster risk assessments conducted in vulnerable areas as identified in the macro-risk assessment.	New indicator	4	4	4
Number of response policies developed.	New indicator	2	1	1
Number of fire and rescue services officials trained on the Incident Command System.	New indicator	300	150	150

	Estimated performance	Medium-term estimates		
Number of municipalities supported on Fire Brigade Services.	11	11	11	11

PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

Programme description

The programme promotes and facilitates viable and sustainable traditional institutions by enhancing the capacity of traditional leadership and local governance institutions in line with Pillar 4: Transformation of the State and Governance.

The key performance areas are:

- Traditional institutional administration;
- Traditional resource administration;
- Rural development facilitation;
- Traditional land administration;
- Facilitating the devolution of powers and functions to ensure stable local government and traditional leadership.

TABLE 7.12: SUMMARY OF PAYMENTS AND ESTIMATES: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Traditional Institution Administration	4 393	4 376	5 585	6 047	7 026	6 163	5 835	6 344	8 192
2. Traditional Resource Administration	662	3 463	4 814	5 022	7 543	7 195	9 061	8 640	11 415
3. Rural Development Facilitation	400	450		555	555	555	500	500	528
4. Traditional Land Administration	1 347	1 768	870	955	955	955	2 500	1 663	1 755
Total payments and estimates	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890

TABLE 7.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890
Compensation of employees	4 515	5 170	7 555	8 002	11 502	10 291	13 094	12 082	16 547
Goods and services	2 287	4 887	3 714	4 577	4 577	4 577	4 802	5 065	5 343
Transfers and subsidies to:									
Payments for capital assets									
Payments for financial assets									
Total economic classification	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890

The spending increased from R6.8 million to R11.2 million during the first three financial years to cater for personnel costs, for goods and services required for the cultural and commemoration events and training of traditional councils. The hosting of the Zulu cleansing ceremony that was held at a stadium in Katshele is one of main factors that increased the spending to R10.1 million in 2016/17. The Budget will increase from R17.9 million to R21.8 million over the 2019 MTEF period. The increase is to address powers and functions on intergovernmental relations and the development of the oversight and accountability management model. The increase in allocation will further assist with amalgamation, coordination and facilitation of local government knowledge management.

Expenditure on compensation of employees increased from R4.5 million in 2015/16 to R7.6 million in 2017/18, to fund staff requirements and the filling of vacant posts. The budget amounts to R11.5 million and will increase to R16.5 million in the 2021/22 financial year, mainly to continue funding the human resource requirements of the department.

The commemoration of traditional and cultural events is the main cost driver for the programme. The increasing trend in goods and services expenditure from R2.3 million in 2015/16 to R3.7 million in 2017/18 relates to this. Over the MTEF the budget will increase from R4.8 million to R5.3 million in the 2021/22 financial year, mainly for the capacitation and training of traditional councils to conduct feasibility studies for the heritage sites. Funds allocated to the Amandebele Ndzunza Sokhumi and Amandebele Ba Lebelo Commemoration and heritage events will be reprioritised (due to the events no longer taking place) in 2018/19 to conduct training of IGR practitioners dealing with petitions in municipalities. The allocation over the MTEF also caters for transfers to traditional councils for the maintenance and running of the offices and vehicles. The allocation will further be utilised to implement the IGR strategy across all sister departments.

SERVICE DELIVERY MEASURES

PROGRAMME 4: TRADITIONAL INSTITUTIONAL DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of Traditional Councils supported to perform their functions.	New Indicator.	2	2	2
Percentage of succession claims/ disputes processed.	100%	100%	100%	100%

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 7.14: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

R thousands	Actual						Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF			
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22			
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total	
Salary level																		
1 – 6	442	7 775	442	124 241	415	130 327	411		411	134 070	433	140 589	433	148 322	2%	3%	39%	
7 – 10	152	131 946	152	69 738	159	71 226	159		159	77 063	165	91 201	165	96 217	1%	8%	25%	
11 – 12	49	73 905	49	39 406	58	47 601	56	2	58	51 515	60	64 630	60	78 008	1%	15%	18%	
13 – 16	28	33 853	28	41 758	34	52 726	33	1	34	57 056	34	67 221	34	70 918	0%	8%	18%	
Other	17		17	192	16	479	16		16	192	18	214	18	226	4%	6%	0%	
Total	688	247 479	688	275 335	682	302 359	675	3	678	319 896	710	363 855	710	393 691	2%	7%	100%	
Programme																		
1. Administration	154	71 754	154	79 573	151	80 017	148	3	151	83 826	159	98 563	159	113 808	2%	11%	27%	
2. Local Governance	472	143 203	472	160 942	457	168 893	457		457	191 453	481	211 093	481	222 703	2%	5%	58%	
3. Development Planning	51	28 007	51	29 650	59	35 058	59		59	36 252	59	44 057	59	46 479	0%	9%	12%	
4. Traditional Institutional Management	11	4 515	11	5 170	15	7 555	11		11	8 365	11	10 142	11	10 701	0%	9%	3%	
Total	688	247 479	688	275 335	682	291 523	675	3	678	319 896	710	363 855	710	393 691	2%	7%	100%	

The DPSA has approved the organisational structure of the Department of Cooperative Governance and Traditional Affairs. The recruitment process to fill vacant positions resumed in the 2016/17 financial year to ensure that core business and support functions were supported appropriately. Personnel numbers of the department may increase as placement of staff is not finalised. The delay in the filling of vacant positions was caused mainly by the non-availability of a building to house departmental staff. The personnel numbers projected over the MTEF are as per full establishment of the organisational structure. Expenditure grew from R247.4 million in 2015/16 to R291.5 million in 2017/18, an average growth of 7.5 percent year on year. The budget will increase from R341.6 million in 2019/20 to R393.6 in 2021/22 financial year. The increases are informed by the improved conditions of employment agreements.

9.2 Training

TABLE 7.15: PAYMENTS ON TRAINING: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	688	688	682	678	678	678	678	710	710
Number of personnel trained	120	120	126	133	133	133	141	149	149
of which									
Male	40	40	42	44	44	44	47	50	50
Female	80	80	84	89	89	89	94	99	99
Number of training opportunities	68	68	71	76	76	76	80	84	84
of which									
Tertiary	50	50	53	56	56	56	59	62	62
Workshops	16	16	17	18	18	18	19	20	20
Seminars	2	2	2	2	2	2	2	2	2
Other									
Number of bursaries offered	50	50	53	56	56	56	59	62	62
Number of interns appointed	10	10	11	11	11	11	12	13	13
Number of learnerships appointed									
Number of days spent on training	100	100	105	111	111	111	117	123	123
Payments on training by programme									
1. Administration	1 749	3 804	3 024	3 199	3 199	3 199	3 416	3 604	3 802
2. Local Governance	973								
3. Development Planning	466								
4. Traditional Institutional Management									
Total payments on training	3 188	3 804	3 024	3 199	3 199	3 199	3 416	3 604	3 802

The department has allocated 1 percent of the compensation of personnel budget for training. The department developed an annual workplace skills plan that is informed by staff members' performance plans annually, and awards bursaries to qualifying employees. This is due to the demand for skilled employees in the department, and to ensure that there is continuity in developing employees in keeping with the latest trends. The Department is funding CDWs' studies to improve their capacity to deliver good service. The main driver of expenditure for training between the 2015/16 and 2017/18 financial years was the training of CDW's and ward Counsellors. CDW's support government programmes through advocacy initiatives and participatory processes, in particular the IDP process, ward committees and izimbizos.

Expenditure on training increases from R3.1 million to R3.8 million between 2015/16 and 2016/17, mainly to provide training for CDW's to improve their capacity to deliver quality services. It remains relatively stable at R3.1 million in 2018/19 to ensure continuity in developing employees in keeping with the latest trends. The budget will increase from R3.4 million in 2019/20 to R3.8 million in 2021/22 to ensure continuity of skilling of departmental employees.

9.3 Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 7.16: SPECIFICATION OF RECEIPTS: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	292	276	282	166	306	141	174	184	194
Sale of goods and services produced by department (excluding capital assets)	292	276	282	166	306	141	174	184	194
Sales by market establishments	292	276	282	166	306	141	174	184	194
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land		27		30	30		32	34	36
Interest		27		30	30		32	34	36
Sales of capital assets									
Transactions in financial assets and liabilities	66	1 440	209	367	227	92	388	409	431
Total departmental receipts	358	1 743	491	563	563	233	594	627	661

TABLE 7.17: PAYMENT AND ESTIMATES BY ECONOMIC CLASSIFICATION: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	316 519	369 180	389 829	445 367	471 596	446 603	488 886	501 945	540 062
Compensation of employees	247 479	275 335	291 523	319 895	319 895	309 902	341 648	363 855	393 691
Salaries and wages	212 017	237 604	252 278	278 756	278 756	269 357	295 971	315 772	341 162
Social contributions	35 462	37 731	39 245	41 139	41 139	40 545	45 677	48 083	52 529
Goods and services	69 040	93 845	98 306	125 472	151 701	136 701	147 238	138 090	146 371
Administrative fees	328	278	368	915	915	723	1 377	1 134	1 197
Advertising	7 343	14 062	5 615	4 150	10 050	7 979	4 795	4 368	4 608
Minor assets	278	775	1 831	876	876	833	1 080	2 431	2 565
Audit cost: External	2 966	2 627	2 996	3 000	3 500	3 251	4 000	4 169	4 398
Bursaries: Employees	264	597	850	464	524	524	1 735	1 767	1 864
Catering: Departmental activities	3 839	2 622	1 319	1 868	1 868	1 711	1 228	1 680	1 773
Communication (G&S)	10 419	7 671	8 372	11 800	11 800	8 471	10 287	10 697	11 285
Computer services	661	5 658	8 328	5 473	4 473	6 732	9 769	10 637	11 235
Consultants and professional services: Business and advisory services	396	722	6 721	27 554	16 014	16 299	14 868	15 763	16 630
Legal services	245	3 245	691	1 065	1 325	920	1 495	1 572	1 658
Contractors	413	205	164	300	250	230	400	414	437
Agency and support / outsourced services	10 968	8 752	8 314	15 416	34 289	28 683	36 035	21 660	22 839
Entertainment	165			10					
Fleet services (including	6 069	8 304	7 583	6 720	6 720	6 832	9 800	10 061	10 614

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
government motor transport)									
Inventory: Materials and supplies	22								
Inventory: Other supplies		1 788							
Consumable supplies	6 175	14 156	15 718	5 285	4 535	4 915	6 280	6 840	7 216
Consumable: Stationery, printing and office supplies	3 393	4 669	2 666	3 341	2 341	2 341	3 811	4 009	4 229
Operating leases	148	383	840	834	834	753	1 373	1 321	1 394
Property payments	1 145	1 095	6 606	7 774	21 171	21 350	7 870	6 797	7 862
Travel and subsistence	5 241	5 699	6 186	7 096	6 687	5 490	8 337	9 181	9 680
Training and development	2 924	3 207	4 227	12 035	9 313	4 761	11 649	11 560	12 196
Operating payments	653	551	1 577	2 752	7 372	7 274	2 175	2 803	2 958
Venues and facilities	4 985	6 779	7 334	6 744	6 844	6 629	8 874	9 226	9 733
Transfers and subsidies	50 659	50 861	26 231	8 746	50 713	65 713	53 104	3 310	3 492
Provinces and municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Municipalities	48 988	49 613	25 136	7 000	49 500	64 500	52 004	2 110	2 226
Households	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Social benefits	1 606	1 248		32	32	32	34	36	38
Other transfers to households	65		1 095	1 714	1 181	1 181	1 066	1 164	1 228
Payments for capital assets	1 170	35 769	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Buildings and other fixed structures		31 600							
Buildings		31 600							
Machinery and equipment	1 170	4 169	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Other machinery and equipment	1 170	4 169	16 793	14 122	10 894	10 894	20 292	21 407	22 426
Software and other intangible assets									
Payments for financial assets	503	66	64		32	32			
Total economic classification	368 851	455 876	432 917	468 235	533 235	523 242	562 282	526 662	565 980

TABLE 8.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	102 187	117 169	115 902	136 644	130 145	121 576	138 468	147 341	156 132
Compensation of employees	71 754	79 573	80 017	93 432	89 932	82 514	93 825	101 776	107 374
Salaries and wages	63 438	70 303	71 494	83 775	80 275	73 005	84 706	91 600	96 638
Social contributions	8 316	9 270	8 523	9 657	9 657	9 509	9 119	10 176	10 736
Goods and services	30 433	37 596	35 885	43 212	40 213	39 062	44 643	45 565	48 758
Administrative fees	73	176	161	155	155	155	310	319	337
Advertising	2 278	4 481	1 718	750	1 650	1 650	1 250	1 453	1 533
Minor assets	143	283	173	271	271	334	650	703	742

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Audit cost: External	2 870	2 438	2 996	3 000	3 500	3 251	4 000	4 169	4 398
Bursaries: Employees	264	597	634	464	524	524	1 735	1 767	1 864
Catering: Departmental activities	587	388	300	297	297	302	293	331	349
Communication (G&S)	4 532	4 301	3 676	4 840	4 840	4 005	3 542	3 587	3 784
Computer services	526	5 215	5 279	5 003	4 003	3 940	4 785	4 966	5 239
Consultants and professional services: Business and advisory services	396	715	2 644	2 049	2 749	3 115	2 951	3 083	3 253
Legal services	245	2 775	691	1 325	1 325	920	1 495	1 572	1 658
Contractors	413	195	98	220	170	210	315	325	343
Agency and support / outsourced services	1 354	354	822	2 022	1 512	1 695	400	600	633
Entertainment	165			10					
Fleet services (including government motor transport)	6 069	6 008	6 363	5 620	5 620	5 780	6 800	7 000	7 385
Inventory: Materials and supplies	22								
Consumable supplies	2 587	2 429	1 266	1 087	1 097	1 352	1 770	1 889	1 993
Consumable: Stationery, printin g and office supplies	1 871	2 057	2 269	3 001	2 001	1 837	2 821	3 002	3 167
Operating leases	148	383	840	700	700	753	1 239	1 180	1 245
Property payments	775	721	831	3 491	2 291	2 155	2 850	1 712	2 497
Travel and subsistence	1 630	2 068	2 376	2 540	2 441	1 909	2 613	2 396	2 524
Training and development	1 477	1 044	376	3 199	2 199	2 199	1 500	1 604	1 692
Operating payments	87	127	1 008	1 450	1 050	971	1 086	1 580	1 667
Venues and facilities	1 921	841	1 364	1 718	1 818	2 005	2 238	2 327	2 455
Transfers and subsidies	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Non-profit institutions									
Households	1 671	1 248	1 095	1 746	1 213	1 213	1 100	1 200	1 266
Social benefits	1 606	1 248		32	32	32	34	36	38
Other transfers to households	65		1 095	1 714	1 181	1 181	1 066	1 164	1 228
Payments for capital assets	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Machinery and equipment	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Other machinery and equipment	1 170	1 809	7 529	5 894	5 894	5 894	6 224	6 566	6 927
Software and other intangible assets									
Payments for financial assets	503	66	64		32	32			
Total economic classification	105 531	120 292	124 590	144 284	137 284	128 715	145 792	155 107	164 325

TABLE 17.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LOCAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	168 299	182 809	186 819	210 389	216 389	206 601	225 532	245 683	262 719
Compensation of employees	143 203	160 942	168 893	178 855	178 855	178 855	192 192	204 928	219 722
Salaries and wages	120 160	136 809	143 239	153 241	153 241	153 241	163 036	174 168	187 270
Social contributions	23 043	24 133	25 654	25 614	25 614	25 614	29 156	30 760	32 452
Goods and services	25 096	21 867	17 926	31 534	37 534	27 746	33 340	40 755	42 997
Administrative fees	156	58	81	230	230	230	227	245	259
Advertising	2 735	4 258	340	600	5 600	5 744	870	909	959
Minor assets	62	26	106	105	105	150	233	244	257
Audit cost: External	96	189							
Bursaries: Employees			216						
Catering: Departmental activities	2 129	46	101	365	365	374	218	330	348
Communication (G&S)	5 887	3 257	4 388	6 720	6 720	4 357	6 500	6 852	7 229
Computer services		295	309	370	370	370	390	411	447
Consultants and professional services: Business and advisory services		7		2 125	1 125	555	1 075	2 000	2 110
Legal services		306							
Contractors		1		5	5	5	5	5	5
Agency and support / outsourced services	6 890	6 122	3 735	5 967	5 967	3 999	7 489	11 699	12 331
Entertainment									
Fleet services (including government motor transport)		512							
Consumable supplies	19	41	645	1 858	858	792	1 410	1 711	1 805
Consumable: Stationery, printing and office supplies	1 414	1 677	153	40	40	40	220	223	235
Property payments		15							
Travel and subsistence	2 146	1 505	1 714	2 010	2 010	2 277	2 962	3 456	3 645
Training and development	981	1 685	3 091	7 116	5 116	496	7 405	8 107	8 553
Operating payments	406	303	298	697	5 697	5 637	683	795	839
Venues and facilities	2 175	1 564	2 749	3 326	3 326	2 720	3 653	3 768	3 975
Transfers and subsidies	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Provinces and municipalities	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Municipalities	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Municipalities	37 988	13 913	23 136	5 000	5 000	5 000	5 000	2 110	2 226
Payments for capital assets			5 000						
Machinery and equipment			5 000						
Other machinery and equipment			5 000						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets									
Total economic classification	206 287	196 722	214 955	215 389	221 389	211 601	230 532	247 793	264 945

TABLE 7.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: DEVELOPMENT PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2017/18	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	30 418	39 231	59 145	77 900	99 812	99 812	85 755	86 846	90 736
Compensation of employees	26 249	28 007	29 650	34 060	35 148	35 147	39 606	42 537	45 069
Salaries and wages	22 965	24 485	25 962	29 291	30 871	30 870	34 778	37 352	39 600
Social contributions	3 284	3 522	3 688	4 769	4 277	4 277	4 828	5 185	5 469
Goods and services	4 169	11 224	29 495	43 840	64 664	64 665	46 149	44 309	45 667
Administrative fees	17	99	44	40	40	127	530	540	570
Advertising	272	2 258	5 323	999	1 931	2 245	2 800	1 900	2 006
Minor assets	30	71	466	105	105	108	500	1 397	1 474
Catering: Departmental activities	624	1 017	1 081	527	533	534	706	568	598
Communication (G&S)			113	1 000	71	71	240	245	258
Computer services	124	135	148	1 034	4 034	758	100		
Consultants and professional services: Business and advisory services				(245)	1 080	1 325	23 380	18 276	19 280
Legal services			162	(245)	(245)		(260)		
Contractors			9	1 000	739	739	75	80	84
Agency and support / outsourced services		1 428	1 811	30 568	22 238	24 467	5 649	6 602	5 886
Fleet services (including government motor transport)			1 784	2 000	2 000	2 000	1 100	1 100	1 161
Inventory: Other supplies			1 788						
Consumable supplies	587	3 569	11 548	1 500	11 213	11 213	2 340	2 360	2 490
Consumable: Stationery, printing and office supplies	1	102	817	464	464	464	150	260	274
Property payments	481	370	359	3 145	17 144	16 546	4 283	4 820	5 085
Travel and subsistence	681	1 265	1 633	1 014	917	1 368	1 767	2 301	2 429
Training and development	254	466	396	457	660	626	1 050	1 237	1 305
Operating payments	136	160	121	56	408	354	505	406	428
Venues and facilities	962	284	1 892	421	1 332	1 720	1 100	2 083	2 198
Transfers and subsidies	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Provinces and municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Municipalities	1 000	11 000	35 700	2 000	2 000	2 000	2 000		
Payments for capital assets			33 960	26 056	9 056	9 056	8 228	14 068	14 841
Buildings and other fixed structures			31 600						
Buildings			31 600						
Machinery and equipment			2 360	26 056	9 056	9 056	8 228	14 068	14 841
Transport equipment									
Other machinery and equipment			2 360	26 056	9 056	9 056	8 228	14 068	14 841
Payments for financial assets									
Total economic classification	31 418	50 231	128 805	105 956	110 868	110 868	95 983	100 914	105 577

TABLE 7.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRADITIONAL INSTITUTIONAL MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890
Compensation of employees	4 515	5 170	7 555	8 002	11 502	10 291	13 094	12 082	16 547
Salaries and wages	3 934	4 530	6 693	6 962	10 462	9 366	10 877	10 404	13 476
Social contributions	581	640	862	1 040	1 040	925	2 217	1 678	3 071
Goods and services	2 287	4 887	3 714	4 577	4 577	4 577	4 802	5 065	5 343
Administrative fees									
Advertising	72		61						
Minor assets	2						5	10	11
Catering: Departmental activities	106	1 107	602	500	500	500	500	528	558
Legal services		2							
Agency and support / outsourced services	1 296	465	791	1 778	1 778	2 128	1 500	1 647	1 737
Consumable supplies		138	310			35			
Consumable: Stationery, printing and office supplies	6	118	70	150	150	150	510	510	538
Travel and subsistence	200	493	676	779	779	494	887	900	948
Training and development		82	174	670	670	631	500	537	567
Venues and facilities	605	2 482	1 028	600	600	539	900	933	984
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	6 802	10 057	11 269	12 579	16 079	14 868	17 896	17 147	21 890

TABLE 7.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EPWP INTEGRATED GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments									
Transfers and subsidies		2 000	2 000	2 000	2 000	2 000	2 004		
Payments for capital assets									
Payments for financial assets									
Total economic classification		2 000	2 000	2 000	2 000	2 000	2 004		

TABLE 7.23: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A									
Category B	48 988	40 884	25 136	5 500	25 500	25 500	5 504	1 500	1 500
Emfuleni	13 588	18 884	1 500	750	750	750	750		
Midvaal									
Lesedi	1 500	1 500	1 000	2 250	2 250	2 250	2 254		

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Mogale City				500	500	500	500	750	750
Merafong City	5 400	500	1 000	2 000	22 000	22 000	2 000	750	750
Rand West City	28 500	20 000	21 636						
Category C				1 500	39 000	39 000	46 500	500	500
Sedibeng District Municipality									
West Rand District Municipality				1 500	39 000	39 000	46 500	500	500
Unallocated									
Total transfers to municipalities	48 988	40 884	25 136	7 000	64 500	64 500	52 004	2 000	2 000

VOTE 8

DEPARTMENT OF HUMAN SETTLEMENTS

To be appropriated by vote in 2019/20	R 6 216 526 000
Responsible MEC	MEC for Human Settlements
Administering Department	Department of Human Settlements
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To create integrated and sustainable human settlements within a smart Gauteng City Region.

Mission

To facilitate the delivery of sustainable integrated human settlements, new towns and smart cities, in partnership with relevant role players from all sectors of society through:

- Development of suitably located and affordable housing (shelter) and decent human settlements;
- Creating new post-apartheid towns, and transform current cities and towns in Gauteng, moving towards efficiency, inclusion and sustainability; and
- Building cohesive, sustainable and caring communities with improved access to work and social amenities, including sports and recreation facilities, with community development and optimal access/inclusion.

Values

The department's values are based on the *Batho Pele* (People First) principles of the South African Public Service. Its specific focus is on:

- Integrity;
- Honesty;
- Loyalty;
- Professionalism;
- Human dignity;
- Service delivery;
- Excellence;
- Discouraging bad behaviour and rewarding good behaviour;
- Sound ethical standards; and
- Accountability.

Strategic goals

The department's Strategic Plan gives effect to the ten pillars that drive the Gauteng Provincial Government's (GPG) five-year programme. The department aims to achieve the following four strategic outcome-oriented goals:

- Good governance and strategic management of the Gauteng Department of Human Settlements (GDHS);
- Development of legislative frameworks, policies and plans that enable spatial transformation in the delivery of human settlements;
- Well-located, sustainable, integrated human settlements that provide security of tenure; and
- GDHS immovable assets maintained, devolved and transferred.

Core functions and responsibilities

The mandate of the department is derived from the Constitution of South Africa. Its primary roles are to:

- Promote and facilitate the provision of adequate housing in the province;
- Develop provincial human settlements housing policies that will strengthen the ability to provide housing opportunities to qualifying beneficiaries to build sustainable communities;

- Develop and implement programmes and projects that give effect to the province’s short, medium and long-term housing plans; and
- Manage the housing delivery process and transform informal settlements, especially in priority townships, into sustainable and vibrant communities, and provide services in respect of subsidies and rental housing.

Main services

The department delivers quality-housing opportunities to the people of Gauteng and develops integrated infrastructure to create cohesive communities. The department is responsible for managing provincial housing assets through the property management programme, and for redistributing or transferring properties to beneficiaries. In addition, it aims to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. Through the Human Settlement Development Grant (HSDG), the department delivers mega human settlements and post-apartheid cities. Developing human settlements along other nodal developments is important to achieve maximum impact, as well as economies of scale, whilst supporting the programme of Radical Economic Transformation (RET). The department is mandated with upgrading existing townships and inner cities through urban renewal programmes; inner-city revitalisation; ensuring that the Gauteng Rental Housing Strategy is realised; mining towns’ revitalisation; integration of hostel residents into the broader social fabric; and ensuring that every Gauteng resident has access to housing opportunities through various departmental programmes such as the Finance Linked Individual Subsidy Programme (FLISP).

Ten pillar programme of Transformation, Modernisation and Re-industrialisation

Modernisation of public service and transformation of the state and governance

The department supports the above pillar by strengthening and aligning the department’s organisational capacity and capability to deliver on its mandate. The department will ensure that its business units perform efficiently by providing effective and efficient corporate support through technology to the department’s core functions. The Programme ensures effective leadership, management and administrative support to the core business divisions through continuous refinement of organisational strategy and structure, in compliance with appropriate legislation and best practice.

Decisive spatial transformation and modernisation of human settlements and urban development

As part of achieving decisive spatial transformation and modernising human settlements and urban development, the department will undertake research and develop policies and plans that give support to the achievement of the ideals expressed by the pillars. Examples of such policies include the Inclusionary Housing Bill; the Densification Policy; the Gauteng Rental Housing Strategy; and the Land Invasion Framework. Through the Housing Development Programme, the department aims to build cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements. A total allocation of R5.1 billion, in the form of the HSDG, is allocated to support the realisation of these pillars. The emphasis is on providing individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy. The department plans to implement mega-projects to provide various housing types, developed along nodes with economic and employment opportunities, and transport.

The department further supports these pillars by providing for the sale and transfer of rental stock, devolution of housing assets, implementation of the Enhanced Extended Discount Benefit Scheme (EEDBS) and housing property maintenance. The department also provides cleaning services to its stock of flats and the transfer of ownership to beneficiaries. An allocation of R156 million is set aside in the form of a title deeds restoration grant, to fast-track issuing title deeds to beneficiaries to support the realisation of the above pillars through these programmes. The department facilitates affordable rental accommodation and delivers housing units in targeted presidential projects to promote home ownership. It is combating fraud and corruption by allocating houses to beneficiaries and ensuring Radical Economic Transformation (RET). In April 2014, the department approved the Strategic Framework on Anti-Fraud, Corruption and Ethics and the Fraud Prevention Plan. The department is engaged in combating issues of fraud and corruption; exercising oversight; encouraging transparency and accountability; fraud detection; reporting and monitoring all critical components to dealing with fraud and corruption. The department established the Project Management Office (PMO), to deliver on the collaboration, cooperation and coordination protocols, thereby addressing service delivery protest, reducing waiting times for beneficiaries, and ensuring coordination of departmental plans with other GPG departments.

The main objectives of the PMO include the following:

- Developing processes to support the efficient and effective delivery of services in partnership and collaboration with various stakeholders in the public and private sector;
- Facilitating and coordinating the implementation of allocated projects from initiation through execution to closure; and
- Overseeing and ensuring attainment of quality project deliverables in line with project plan.

Lastly, the department intends to support the modernisation of human settlements by utilising modern technology through the installation of the centralised biometric system for beneficiary administration. The validation of qualifying housing beneficiaries will be implemented without exception, and the waiting list will be reformed through the monitored and up-to-date demand database.

National Development Plan (NDP) and the departmental strategy for 2014–19

The NDP is the overarching plan with which all departments and state agencies are aligned. In terms of NDP Vision 2030, and Chapter 8 in particular, the department needs to ensure that the people of Gauteng have a decent standard of living, eliminating poverty and reducing inequality, through the following key areas of focus:

- Shaping the spatial form of Gauteng by focusing on infrastructure investment and urban regeneration in terms of infill developments between major urban centres and aggressive densification in good locations;
- Devising alternative innovative financial instruments to increase housing opportunities by increasing the supply of FLISP housing products, harnessing private sector funding and investment in housing, infrastructure development and affordable rental accommodation, and servicing stands by the capital subsidy scheme;
- Playing a central coordinating and facilitative role between Global City Region (GCR) cities and capitalising on the growing integrated urban network to implement the housing chapters of the Human Settlement Master Plan, supported by transport and infrastructure plans, and well-located human settlements in areas of employment and economic activity;
- Prioritising the development of urban infrastructure, the environment and the affordability of living in urban centres, to implement the provincial Bulk Infrastructure Plan, and align funding streams to support the plan (MIG/USDG/MISA);
- Promoting social and spatial integration to achieve social cohesion through identifying and providing new human settlements;
- Developing efficient and effective human settlements, as opposed to marginalised and dysfunctional settlements or “pockets of poverty”, through a joint effort with stakeholders; and
- Encouraging optimal use of land through densification in strategic locations.

External activities and events relevant to budget decisions

The total number of households in Gauteng has grown by 139 percent, between 1996 and 2016, with an average increase of 10 percent between 2014 and 2016. Household sizes have reduced to fewer than three people per household, adding to the demand for suitable housing. While the percentage of formal households has increased by 168.8 percent, between 1996 and 2016, the number of informal households increased at a slightly lower rate of 77.9 percent compared to formal household for the same period. In total, the proportion of informal to formal dwellings has reduced from 23.9 percent (in 2001) to 17.7 percent (in 2016). While the number of households in informal settlements has stagnated, there is a growing trend in informal dwellings in backyards, which comprised 55 percent of informal dwellings in 2015 (up from 37.4 percent in 2004). Although Gauteng has done well in providing low cost housing to the poor, with 31 percent (1.23 million) of the country’s low-cost houses located in Gauteng, spatial inequality has largely persisted, with the poor continuing to live on the urban fringe. While Gauteng has realised large advances in access to public services, such as water, electricity, sanitation, health, education, social welfare and transport, it has struggled to keep up with demand influenced by the high levels of in-migration into the province.

Acts, rules and regulations

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- National Environmental Management Act (Act No. 107 of 1998, as amended by Act No. 8 of 2004);
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Construction Industry Development Board Act (Act no. 38 of 2000);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- National Building Regulations and Building Standards Act (Act No. 103 of 1977);
- State Land Disposal Act (Act No. 48 of 1961); and
- Deeds Registries Act (Act No. 47 of 1937).

Legislative and other mandates

The core mandate of the department is to ensure the provision of housing and sustainable human settlements.

Policy mandate

The department is guided by the following policies and strategies:

- Provincial Growth and Development Strategy (PGDS);
- Breaking New Ground (BNG) Strategy;
- Gauteng City Region (GCR) Strategy;
- Gauteng Human Settlements Mega Projects Strategy;
- National Housing Policy; and
- National Housing Code.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

The location of housing is critical. Whilst significantly altering existing spatial patterns, the department has the responsibility to “modernise urban development and human settlements” through the greening of these developments and densifying them to counteract the shortage and cost of land in the province.

The department is phasing out “legacy” projects, which are micro projects found across the development corridors. The department is consolidating all legacy projects into mega human settlements projects in all development corridors of the GCR. The aim is to have such developments taking place in areas closer to employment, economic opportunities and transport facilities, so that residents save money and time commuting between their workplaces and homes and gain access to basic services and other amenities. The department’s performance against the housing programmes (implemented until the third quarter of 2018/19) is summarised below.

Housing Development: Against a cumulative third quarter target of 2 494 serviced stands, and 7 765 housing units, actual delivery at the end of the third quarter of 2018/19 stood at 7 364 of the planned number of serviced stands, and 7 040 of housing units respectively.

Housing units and serviced stands combined yielded 14 404 outputs which translate to 34 percent against the combined planned output of 42 660 for the current financial year. The deficit of 5 760 stands and 22 496 housing units will be fast-tracked during the fourth quarter of the 2018/19 financial year.

The programmes which performed adequately during the first three quarters of the current financial year are the Integrated Residential Development Programme (IRDP): Top Structure Informal Settlements and the Priority projects. Weekly monitoring of implementation of projects, including expenditure and unlocking of blockages, through the War Room, is undertaken to fast-track service delivery as part of the remedial actions.

Financial Intervention Programme

Under **FLISP**, the department aimed to produce 9 955 housing units for the year under review. By the end of the third quarter of the current financial year, 563 units were achieved. The Programme is implemented with the assistance of the National Housing Finance Corporation (NHFC) and the yield is dependent on approval of beneficiaries for bonds from the banks. As per the approved business plan, targets were set to be achieved in the fourth quarter of the financial year.

Incremental Housing Programme

Under the Low-Cost Phase 1: Planning and Services: The department planned to service 2 594 stands for the period under review, and to date 5 195 stands have been serviced. The over-achievement is due to work that commenced in the previous financial year and was already at advanced stages of completion at the beginning of the current financial year.

For the Low-Cost Phase 1: Top Structure: Under the programme, the department planned to deliver 7 233 housing units. To date the department has delivered 5 733 housing units. The under-achievement can be attributed to the following factors: insufficient bulk sewer; lapse of signed contracts; invasion of the houses and community disruptions; insufficient or lack of approved beneficiaries on HSS; late appointment of contractors and non-enrolment of some projects with the National Home Builder Registration Council (NHBRC).

Social and Rental Intervention Programme

Under this programme, the department planned to deliver 232 units under the Community Residential Units sub-programme. To date, a delivery of 448 units was realised, of which 44 units were delivered by GPF. Some of the projects were completed in the previous financial year, but only certified in the current year.

The Rural Housing Communal Land Rights Programme: Whilst no serviced sites were planned for the 1st three quarters of the financial year, the Department yielded 1 636 from projects with work at advanced stages of completion at the close of the previous financial year. In respect of housing units under this programme, the programme planned to deliver 100 units and the target has been surpassed as 177 units have been completed due to work commenced in the previous financial year.

Priority Projects: No targets were set under this programme; however, 533 units were delivered by the programme.

COMMENTS ON DELIVERY

The department has serviced more stands (7 364) when comparing delivery of the same period in the previous financial years which are mainly from Mega projects in the Westrand region. The region has a potential to yield high numbers of housing units under Mega projects in the next financial year.

A total of 7 255 housing units have been delivered as at January 2018, mainly from Legacy projects in various regions. Judging by the low certified Work in Progress (WIP), it is difficult to project a recovery from the current low levels of under-

performance on housing units. Whereas it is unlikely that the department will achieve the annual targets set on the revised Business Plan as this is conditional on the department achieving most of its FLISP and Mega projects targets.

Factors that hampered the performance of projects can be summarised as follows:

- No bulk sewer and electricity linkage affected progress in Rama City, Westonaria Borwa, Tsakane Extension 22 Kokosi Ext. 7 and Mamello;
- The invasion of the houses and community disruptions affected progress in Olievenhoutbosch Ext. 27, Nellmapius Ext. 22, Cosmo City and Sebokeng Ext. 24;
- Poor performance by contractors affected progress in the following projects Golden Gardens and Sicelo Shiceka Ext. 5;
- Interruption by Business Forums affected progress in the following projects; Leeuwpoort, Soshanguve V Ext. 1 and John Dube Ext. 2;
- Progress in Bluegumview and Rethabile LTA Hostel was affected by the late payment of the contractors.
- Insufficient or lack of approved beneficiaries on HSS (Housing Subsidy Scheme hindered progress in Sonderwater Phase 1, Rethabiseng Ext. 5, Soshanguve block BB, GG AND FF;
- Vosloorus Ext.28, Hospital Hills Munsieville Ext 6 and Soshanguve Block MM were negatively affected by the delay in the appointment of contractors by the SCM (Supply Chain Management);
- Progress in Palm Ridge Ext. 1-8, Kokosi Ext. 6 and Khutsong South affected by labour issues;
- Kwa-Zenzele Ext. 1- BNG Mega and Mahube Valley project was delayed due to non-enrolment with the National Home Builder Registration Council (NHBRC); and
- Use of incubators delayed progress in Tswelopele Ext. 6 and Winterveldt 3. projects.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

In alignment with the Medium Term Strategic Framework (MTSF) targets, the department will continue to rigorously ensure that targets set are a true reflection of the MTSF expectations, and to ensure that variances occurring during the previous financial years, are carried forward and spread across the remaining financial years and linked to the budget. This is to compensate for the lack of performance or under-planning that occurred during the past three financial years, due to various reasons highlighted under challenges. The department has therefore attempted to align the 2019/20 targets with those of both national and provincial MTSFs.

The following are some of the critical areas that the department is currently focusing attention on with a view to fast-track sustainable human settlements delivery:

- Integrated sector planning;
- Strengthening delivery capacity through partnerships with the private sector;
- Commitment to eradicate backlog on title deeds backlog by;
 - Registration of townships
 - Registration of title deeds
- Use of alternative building technologies, and working closely with the National Home Builders Registration Council (NHBRC), coupled with community education; and
- Intense community education on the Finance Linked Individual Subsidy Programme (FLISP) and development of an end-to-end suitable land acquisition process (fit for purpose) including a Land Invasion Strategy.

Mega Projects

The departmental will focus on the Transformation, Modernisation & Re-industrialisation Strategy (commonly referred to as the “TMR”) of the province, with a particular inclination towards the following two pillars that are part of this strategy: Modernisation of human settlements and urban development and Decisive spatial transformation, the department is looking to fast-track the implementation of the Mega Projects initiative. Mega Projects are a vital element of the 2019/20 Human Settlements Development Grant Business Plan (HSDG BP).

The reduction in the number of Legacy Projects being implemented, whilst increasing the number of Mega Projects to be implemented during the financial year 2019/20, is part of the department’s deliberate strategy to break the monotony in the housing typologies encountered by the people of Gauteng. Certain benefits associated with the implementation of the Mega Projects relate to the creation of sustainable human settlements in that the Mega Projects intrinsically and conveniently allow for the provision of socio-economic amenities in close proximity to the users. Also, the various housing typologies provided through the Mega Projects are part of the benefits that arise from the implementation of the Mega Projects.

Nonetheless, the immediate challenge linked to the implementation of Mega Projects is the paucity of financial resources, which can be overcome, via several avenues including integrated planning, budgeting and implementation by all the relevant players in the sector. The department has been working to achieve this ideal – consolidating all key role-players across the spectrum under one roof to ensure the achievement of integrated sustainable human settlements. The expectation is that

with the passage of time, inter-governmental relations and co-operation between governmental departments, State-Owned Entities and other players in the sector, will mature and improve.

Finance-linked Individual Subsidy Programme (FLISP)

Other major developments that took place during the latter part of 2018 on the affordable housing front warrant mentioning in this chapter. The MinMec decisions on the FLISP are a case in point. The expansion of the income bracket that enables applicants to qualify for the government subsidy, is a progressive development that should improve access to the programme for those that were excluded from participating owing to the previous income bracket of R3 501-R15 000. The current income bracket of R3 501-R22 000 should increase the programme's intake.

Another important decision taken by the Minmec regarding the FLISP relates to the pre-emptive clause, which is applicable to the RDP Low-cost housing. The clause as found in the Housing Act (107 of 1997) is meant to prevent beneficiaries from selling their houses within a period of 8 years after acquisition, is not applicable to the FLISP.

For the 2019/20 financial year, the department has set a target of 4 250 FLISP subsidies to be disbursed to qualifying applicants. However, having set itself a humble target like this one, the department intends intensifying its focus on Beneficiary Education. This move could further see an uptick in the affordable housing market. The total budget set aside for the programme for the financial year 2019/20 is in the region of R621 million, including related professional fees.

Issuance of Title Deeds

The department also set itself a challenge regarding the issuance of "New Title Deeds" (title deeds for housing units built from 2014/15 to date and beyond). For the current financial year, 2018/19 the target the department set was 15 110, which increases by about 11 percent in the financial year 2019/20, increasing the target to 16 735. A budget amounting to R156 million has been allocated for this purpose. This is part of the newly introduced Title Deeds Restoration Grant which is coming to an end in the financial year 2020/21. The following are some of the areas that will be benefitting from the issuance of new title deeds, namely: 3V Tarlton; Kagiso Extension 12; Soshanguve Block MM; Olievenhoutbosch Extension 27; Heatherly East/Nellmapius Extension 22; Kagiso Azaadville (Chief Mogale); Soshanguve Extension 19; and Olievenhoutbosch Extension 36.

Rapid Land Release Programme

The introduction of the Rapid Land Release Programme is yet another creative approach that the department is pioneering to deliver on human settlements better and faster. The identification of 4 000 serviced sites in Ekurhuleni, in Palm Ridge specifically, has just begun. This is a clear indication that the department in particular, and the province in general, are determined to ensure that the concept benefits the people of Gauteng. To that extent, a total of 3 678 sites have been identified for distribution in 2019/20.

Job creation

The department intends to create 8 000 employment opportunities in 2019/20, through the Extended Public Works Programme (EPWP), GEYODI and the Tshepo 1 000 000 Programme. The department will strengthen the implementation of its empowerment policies by prioritising GEYODI mainstreaming across all the programmes.

Through its empowerment and job creation initiatives, the department will train 250 youth in technical skills namely, plumbing and bricklaying and place them equally with contractors through the National Youth Service Framework (NYSF).

The implementation of the Tshepo 1 000 000 Programme in the 2019/20 financial year will target five co-operatives, to be established and supported by the department, through skills training and development on business and technical development training, linked to mentorship.

The department has targeted 180 designated small, medium and micro-sized enterprise (SMME) contractors for empowerment through financial assistance and technical and management training. This is in housing-construction-related activities in partnership with the NHBRC. Furthermore, the incubation programme will continue to train and mentor the new contractors under the construction-linked experiential learning based on allocated projects.

Challenges faced by the department are:

- Planning for project implementation;
- Supply-Chain Management;
- Contract Management;
- Payment of contractors;
- Project Management Capacity;
- Public participation, engagement and community relations; and
- Monitoring and Evaluation.

The following are some of the mitigating steps that will be implemented to address these difficulties:

- Ensure better planning for the 2019/20 period and beyond;

- NHBRC projects enrolment;
- HSDG and USDG alignment, and spatial integration;
- Implementation of transformation objectives;
- Ensure that all contracts are concluded and enforced;
- Ensure monitoring of contractual obligations;
- Ensure an effective payment system that makes payment within acceptable stipulated periods following approval of invoices;
- Beef-up in-house capital projects management capacity;
- Ensure effective project management;
- Ensure effective public participation during the planning phase of each project;
- Undertake project profiling to anticipate any community dynamics which may negatively affect projects;
- Ensure effective communication of delivery;
- Strive to enable community ownership of projects;
- Proper and effective project monitoring and evaluation systems; and
- Regular reporting of performance of projects and contractors.

4. REPRIORITISATION

The department continues to review its operations to identify potential cost savings and eliminate inefficiencies. This will translate into reprioritisation, essential in the present tight fiscal environment. The department continues to explore less expensive building technologies and has examined how it can prioritise its budget to meet its primary objectives. An amount of R4.5 million from Programme 3: (Housing Development) was reprioritised from compensation of employees, following the approved organisational structure of the department, and re-directed to Programme 1: (Administration), and Programme 4: (Housing Assets management and Property Management) where functions are performed.

When comparing the 2018/19 budget to the 2019/20 budget, Programme 1: (Administration) under (Sub-Programme Corporate Services) reprioritised funds within the programme as part of the realignment of the departmental operational budget. Items such as audit fees, advertising, travel and subsistence, training, operating payments and fleet services were reduced to fund items that support the core (such as consultants, legal fees, operating leases). Programme 3: (Housing Development), decreased by R4.6 million to fund Programme 1: (Administration) and Programme 4: (Housing Assets Property Management) where expenditure on compensation of employees is incurred. Programme 3: (Housing Development), further reprioritised R5.5 billion in keeping with the reprioritisation of the departmental business plan.

Funding reprioritised to Programme 4: (Housing Assets Property Management) will promote home ownership in historically disadvantaged communities. It coordinates, manages and oversees the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands, and encourages and supports the provision of tools and personnel to maintain these departmental immovable assets. The department motivates, guides and manages the provision of tenure for occupants, and promotes home ownership through sectionalisation of flats.

5. PROCUREMENT

The department will procure goods and services in line with the budget allocation, in terms of all prescribed policies and acts, and monitor and control spending as efficiently and as effectively as possible. Purchasing, receiving and using goods and services on time is essential to service delivery. All contracts are subject to market-related price analysis, and the terms and conditions will be analysed to identify areas where the department can negotiate for better value for money without compromising quality. The department encourages the use of small and township-based businesses to promote sustainable job creation, using a range of such businesses to promote fairness and transparency.

In relation to procurement, in the 2019/20 financial year, the department intends to:

- Fully implement the SAP operating system for processing of orders and contract management for operational contracts;
- Continue to train and develop its staff;
- Implement the use of pre-approved lists, as the basis of appointment of service providers for regular services. This will ensure timeous appointment of contractors within the first quarter of the financial year;
- Acquire goods and services in line with targets, as indicated in the procurement plan;
- Ensure significant improvement in contract administration to ensure that the commitments are valid, complete and accurate;
- Implement the new procurement regulations to ensure compliance throughout the procurement processes.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 8.1: SUMMARY OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	959 170	1 002 223	669 747	726 968	783 368	783 368	885 455	817 176	876 858
Conditional grants	4 126 734	5 046 443	5 435 810	5 161 457	5 278 674	5 278 674	5 331 071	5 343 970	5 526 294
Human Settlements Development Grant	4 124 734	5 022 669	5 571 755	5 046 583	5 163 800	5 163 800	5 164 409	4 319 346	4 293 873
Title Deeds Restoration Grant				105 811	105 811	105 811	156 204	164 795	
Epwp Intergrated Grant	2 000	2 205	14 055	9 063	9 063	9 063	10 458		
Informal Settlements Upgrading Partnership Grant For Provinces								859 829	1 279 712
Housing Disaster Grant		21 569							
Total receipts	5 085 904	6 048 666	6 105 557	5 888 425	6 062 042	6 062 042	6 216 526	6 161 146	6 403 152

The equitable share and conditional grants are the main source of funding for the Gauteng Department of Human Settlements (GDHS). The Human Settlements Development Grant (HSDG) and the funding made available by the province caters for the implementation of national and provincial housing programmes.

In 2015/16 the allocation amounted to R5.1 billion and increased to R6.1 billion in 2017/18. Over the MTEF period, total receipts will have increased steadily from R6.2 billion in 2019/20 to R6.4 billion in the 2021/22 financial year. The funding made available will enable the department to embark on projects that will contribute decisively to spatial transformation and radical economic transformation by ensuring that people are located closer to places of work and economic opportunities. It will also provide sustainable human settlements services and infrastructure, in line with national access and equity policy and objectives. The conditional grants will increase from R5.2 billion in 2018/19 to R5.5 billion in the 2021/22 financial year, aligned to the estimated inflation projections. These grants will assist the department in addressing the housing backlog in the province, mainly caused by the increasing number of people who migrate to the province in pursuit of a better life and employment opportunities. In the 2018/19 financial year, total receipts increased from R5.8 billion to R6 billion during the adjustment budget process due to roll-overs amounting to R124.4 million to assist the department to meet its previous year's obligations not paid for by the end of the 2017/18 financial year whilst the equitable share roll-over amount of R7.2 million was for the finalisation of the Krugersdorp inner-City rejuvenation plans. The department also received additional funding amount of R49.2 million for rates & taxes for non-transferred RDP stock, five provincial hostels and the Premier Ntirhisano commitments.

Included in the HSDG is an amount of R151 million in 2018/19 earmarked for revamping mining towns, including Merafong City, Rand West City, and Mogale City. In the 2019/20 financial year the departmental budget will amount to R6.2 billion and can be disaggregated into conditional grants amount of R5.3 billion and the equitable share amount of R885 million.

An amount from the HSDG of R183 million over the MTEF is allocated for coordinating, managing and overseeing the maintenance of the department's immovable assets in the form of flats, hostels and vacant stands, and to provide the tools and personnel needed for these activities. The allocation will deal with the Extended Discount Benefit Scheme (EDBS) and the transfer of housing properties to beneficiaries.

An amount of R156 million, in the form of a conditional grant, will be available to the department during the 2019/20 financial year for the Title Deeds Restoration Programme and will fund the transfer of housing properties to beneficiaries. The allocation will increase to R164.7 million in the 2020/21 financial year. The EPWP incentive grant will amount to R10.4 million and will assist the department in contributing to job creation initiatives across the province. Also included in the funding made available by the province is an amount of R16.3 million that will assist the department in rolling out provincial infrastructure.

6.2 Departmental receipts

TABLE 8.2: DEPARTMENTAL RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Sales of goods and services other than capital assets	1 442	1 609	694	460	460	460	485	512	540
Interest, dividends and rent on land		9	220	402	402	402	425	448	473
Sales of capital assets	1 500	3 211							
Transactions in financial assets and liabilities	34 716	6 086	1 989	4 319	4 319	4 319	4 561	4 812	5 077
Total departmental receipts	37 658	10 915	2 903	5 181	5 181	5 181	5 471	5 772	6 090

The main source of revenue for the department is generated by parking fees, sale of tender documents and collection of revenue from rental of departmental properties. For the period under review, revenue remains stable due to the nature of the department's business. The significant collection of R37.6 million in the financial year 2015/16 resulted from revenue received from funds that were rolled over from Ekurhuleni Metropolitan Municipality. The department also received a once-off amount in the form of servitudes rights in the financial year 2016/17 which increased revenue collection to R10.9 million. The budget will remain relatively stable after the department transferred properties to the DID and will not receive any revenue from servitudes rights. The department anticipates that tender document sales and more recoveries from previous year's expenditure could improve revenue collection over the MTEF. The department is no longer transferring funds to conveyancers upfront for individual subsidies hence there is no interest generated from such transactions. Revenue collection is expected to grow from R5.2 million in 2018/19 to R6.1 million in 2021/22 financial year.

7. PAYMENT SUMMARY

7.1 Summary of economic classification

TABLE 6.4: SUMMARY OF ECONOMIC CLASSIFICATION: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	1 674 373	1 805 307	2 502 009	2 084 056	2 690 781	2 690 781	3 028 302	3 193 575	3 551 286
Compensation of employees	1 233 601	1 332 444	1 403 527	1 519 821	1 570 342	1 570 342	1 823 545	1 930 175	2 200 753
Goods and services	440 772	472 863	1 098 482	564 235	1 120 439	1 120 439	1 204 757	1 263 400	1 350 533
Transfers and subsidies to:	2 104 668	2 254 508	1 775 453	2 784 472	2 195 029	2 195 029	2 354 411	2 482 736	2 587 324
Departmental agencies and accounts	67	6 652	2 565	84	116	116	89	94	99
Non-profit institutions	2 095 086	2 237 344	1 760 651	2 774 257	2 184 782	2 184 782	2 346 274	2 474 153	2 577 981
Households	9 515	10 512	12 237	10 131	10 131	10 131	8 048	8 489	9 244
Payments for capital assets	162 734	186 713	204 135	114 967	123 218	123 218	134 139	131 548	109 902
Buildings and other fixed structures	114 154	145 734	144 381	98 859	94 660	94 660	93 458	91 491	70 643
Machinery and equipment	48 533	40 879	59 615	16 108	28 408	28 408	40 531	39 899	39 092
Software and other intangible assets	47	100	139		150	150	150	158	167
Payments for financial assets	466	5 275	263		401	401			
Total economic classification	3 942 241	4 251 803	4 481 860	4 983 495	5 009 429	5 009 429	5 516 852	5 807 859	6 248 512

The total expenditure of the department increased from R3.9 billion in 2015/16 to R4.5 billion in the 2017/18 financial year due to the continuous implementation of social welfare programmes. The department main appropriation for 2018/19 financial year increases by R25.9 million and the additional allocation is mainly for planned and emergency maintenance of buildings. During the 2018/19 adjustment budget period the department reclassified budget from transfers to goods and

services and payments for capital assets to comply with Classification Circular 21 of 2018. The department further reprioritised funds from transfers to NPI to ease spending pressures on compensation of employees and to procure tools of trade.

The total budget of the department increases from R5.5 billion in 2019/20 to R6.2 billion in the 2020/21 financial year. The growth in budget is mainly due to inflationary adjustments and the allocation of additional funding. The department is allocated additional funding for infrastructure, the filling of critical posts including the purchasing of tools and trade, social work graduates, the management of food relief contracts and for Dignity Packs.

Compensation of employees increases from R1.8 billion in the 2019/20 financial year to R2.2 billion in the 2021/22 financial year. This budget growth is as a result of the cost of living adjustments to the wage bill the filling of and critical posts such as social work supervisors, child and youth care workers, psychologists and occupational therapists. The budget growth is also attributable to the planned absorption of social work graduates who completed their studies through the departmental scholarship. Furthermore, the department also plans to appoint officials who will conduct monitoring and evaluation of funded NPOs.

The total budget allocated to goods and services amounts to R1.2 billion in the 2019/20 financial year which increases by R640.5 million from the 2018/19 main appropriation of R564.2 million. The increase is as a result of the reclassification of budget in line with the provisions of the Classification Circular 21 of 2018. This budget includes inter alia, funding for the distribution of school uniform, Dignity Packs and food parcels which are procured through the SCM process in line with Classification Circular 21 of 2018.

Overall transfers to non-profit institutions grows from R2.3 billion in the 2019/20 financial year to R2.6 billion in 2020/21 financial year. The budget growth emanates from among others, inflationary adjustments to funds allocated following the NAWONGO court case judgement. Additional funding was also received as the EPWP conditional grant. The implementation of community nutrition and development centres will commence from the 2020/21 financial year onwards.

Over the 2019 MTEF an amount of R119.5 million is allocated to machinery and equipment for the procurement of tools of trade, office furniture and equipment and the installation of Information Technology infrastructure (network points) for additional staff. . Included in this budget is R14 million for the installation of CCTV cameras at head office and two institutions to enhance security in the 2019/10 financial year.

The department will continue to make steady progress in the battle against hunger within the communities through the provision of food parcels and increase the number of beneficiaries who will participate in the woman empowerment programmes, sustainable development opportunities and work opportunities through EPWP.

The assumptions that underpin the department's 2019 expenditure are summarized below. An anticipated average wage increase of 6.3 percent in 2019/20 and 6.5 percent for 2020/21 and 2021/22 respectively. A 5.3 percent increase in general goods and services is anticipated in 2019/20, 5.5 percent in 2020/21 and 5.5 percent in 2021/22, in line with the projected consumer price index (CPI). The following elements have been taken into consideration when determining budgets for personnel and other economic classifications for the 2019 MTEF:

- Number of staff and possible changes over the MTEF;
- Basic salary costs including conditions of service adjustments from 1 April each year;
- Increased take-up of benefits such as medical aid and home owners' allowance based on bargaining council agreements;
- Equalisation of pay progression across the public service;
- Inflation in the cost of goods and services, based on headline CPI projections;
- Provision for eradicating informal settlements;
- Provision for upgrading infrastructure services; and
- The impact of VAT increase.

7.2 Programme summary

TABLE 8.3: SUMMARY OF PAYMENTS AND ESTIMATES: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724
2. Housing Needs, Research And Planning	22 369	18 447	45 352	41 778	41 478	18 347	44 126	46 557	49 119
3. Housing Development	4 278 821	5 347 593	5 333 252	5 163 858	5 287 775	5 331 728	5 288 804	5 302 678	5 552 517
4. Housing Assets Management Property Management	76 707	129 992	171 603	170 279	170 279	201 693	223 786	232 790	175 810
Total payments and estimates	4 742 709	5 957 683	5 964 008	5 888 425	6 062 042	6 106 312	6 216 526	6 161 145	6 403 170

7.3 Summary of economic classification

TABLE 8.4 SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASIFICATION: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	545 326	610 909	764 860	669 765	733 167	777 289	847 640	763 235	819 969
Compensation of employees	355 623	382 000	420 565	448 432	448 432	448 432	472 830	503 564	544 856
Goods and services	189 703	228 909	344 295	221 333	284 735	328 857	374 810	259 671	275 113
Interest and rent on land									
Transfers and subsidies to:	4 196 305	5 302 025	5 054 603	261 747	5 304 204	4 483 598	5 348 830	5 363 050	5 546 424
Households	4 196 305	5 302 025	5 054 603	261 747	5 304 204	4 483 598	5 348 830	5 363 050	5 546 424
Payments for capital assets	1 059	15 756	144 501	4 956 913	24 583	845 337	20 056	34 860	36 777
Buildings and other fixed structures			118 578	4 915 555	2 715	823 469			
Machinery and equipment	1 052	15 721	19 451	29 305	12 815	12 815	11 010	25 316	26 708
Software and other intangible assets	7	35	6 472	12 053	9 053	9 053	9 046	9 544	10 069
Payments for financial assets	19	28 993	44		88	88			
Total economic classification	4 742 709	5 957 683	5 964 008	5 888 425	6 062 042	6 106 312	6 216 526	6 161 145	6 403 170

The table above indicates the departmental expenditure and budget per programme and by economic classification over a seven-year horizon period. Expenditure increased from R4.7 billion in 2015/16 financial year to R5.9 billion in 2016/17 financial year and will remain relatively stable at R6 billion between 2016/17 and 2017/18 financial years as a result of an amount of R150 million that was reprioritised by the National Department of Human Settlements to fund priority projects in other provinces. For the year under review the department was appropriated an amount of R5.9 billion during the main appropriation to fund the provision of sustainable human settlements where all citizens have access to housing and other social amenities. This budget was increased to R6.1 billion during the adjustment budget process as a result of roll overs that will ensure that the department meets its previous year's obligations; i.e. the Krugersdorp inner city rejuvenation plans and additional funding for rates and taxes for non-transferred RDP stock. The budget increased from an adjusted budget of R6 billion to R6.2 billion between 2018/19 and 2019/20 financial years which amounted to a 3 percent increase. The departmental budget will fund the servicing of stands; provision of housing units; FLISP programme; eradication of informal settlements; Issuance of Title Deeds and the Rapid Land Release Programme amongst other things. The budget increased from R6.2 billion in 2019/20 to R6.4 billion in 2021/22. Included in the departmental budget for the MTEF are new grants in the form of Title Deeds Restoration Grant as well as the Informal Settlements Upgrading Partnership Grant.

Programme 1: Administration expenditure increased from R364.8 million in 2015/16 to R413.8 million in the 2017/18 financial year. This was mainly due to the budget being adjusted downwards as a result of the realignment of the departmental operational budget where funds were reprioritised to other programmes where expenditure was incurred and functions performed. The budget over the MTEF is expected to decrease from R659.8 million in 2019/20 to R625.7 million in the outer year of the MTEF due to once-off additional funding received, in 2019/20, by the department for rates and taxes of non-transferred RDP stock and 5 provincial hostels; rates and taxes, water and lights for 5 provincial assets; and municipal debt.

The budget in the programme will assist the department to improve its professionalism by employing scarcer skills to support core programmes.

Programme 2: Housing Needs, Planning and Research expenditure increased from R22.3 million to R45.3 million between 2015/16 and 2017/18. The increased budget was mainly because of the personnel budget being correctly linked to the programme as per concurred staff establishment. Over the MTEF, the budget will grow to R49.1 million. The budget increase is mainly due to the multi-year wage agreement which caters for the cost of living agreements (CPI). The programme provides for the regulatory framework for housing delivery, the development of policy guidelines and the provincial inputs on housing legislation.

Programme 3: Housing Development Programme makes up the largest share of the budget. Its aim is to establish sustainable human settlements where all citizens have access to housing and other social amenities. Expenditure for the programme grew from R4.2 billion in the 2015/16 financial year to R5.3 billion in 2016/17 due to additional funding amount of R390 million being made available for provincial mega projects and the provision of bulk infrastructure for Syferfontein Phase 1-2 and Savannah City. The expenditure remained relatively stable at R5.3 billion between 2016/17 and 2017/18 due to the HSDG funding being reduced by R400 million to make provision for the Housing Development Agency (HDA). The budget for the programme will remain at R5.3 billion until the 2020/21 financial year due to a reduction in the HSDG funding following the sectorial mid-term reviews.

Over the MTEF, the budget for the programme will increase to R5.6 billion in the outer year. The budget for the programme will enable the department to build integrated, cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create human settlements and promote effective and efficient delivery of provincial and local housing programmes. Included in the allocation for this programme is an amount of R10.4 million in the form of the EPWP Integrated Grant earmarked for job creation initiatives across the province as well as funding made available by the province amounting to R16.3 million earmarked for rolling out provincial infrastructure.

An amount of R251 million in 2019/20 and R544 million over the MTEF will be transferred to the Gauteng Partnership Fund (GPF) to rollout the Province's planned 16 Mega Human Settlements Cities (MHSC) currently at different stages of planning and implementation. From the programme's allocation, the department will also be transferring an amount of R552.9 million in 2019/20 and R1 billion over the MTEF to both categories A and B municipalities including those municipalities where mining towns of Merafong; Rand West; and Mogale City are situated.

Programme 4: Housing Assets Management and Property Management Programme's expenditure was R76.7 million in 2015/16. The expenditure increased to R171.6 million in 2017/18 mainly to fund the EEDBS resulting from the reprioritisation of the departmental business plan. The budget remains relatively stable at R170.2 million in the 2018/19 financial year due to the reduction in conditional grants allocated to the department. Included in the allocation for the programme for the financial year under review is a new conditional grant in the form of Title Deeds Restoration Grant which seeks to fast-track the issuing of title deeds to beneficiaries. The allocation for the programme is mainly for co-ordinating, managing and overseeing the maintenance of the departments immovable assets in the form of flats, hostels and vacant stands, and to provide the tools and personnel required for these activities. The programme motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats, and disposes off the department's commercial properties.

Compensation of employees increased from R355.6 million in 2015/16 to R420.6 million in 2017/18 financial year. The allocation will increase from R472.8 million in 2019/20 to R544.9 million over the MTEF, mainly to fund the yearly general increment related to improved conditions of employment as well as the filling of critical vacant positions in the department. The departmental CoE budget over the MTEF takes into consideration the three-year wage agreement signed in June 2018. The personnel budget will over the MTEF keep cost including overtime within affordable levels; seek to align budget with the headcount; be aligned to HR plans; and minimize growth to ensure that CoE does not crowd out critical posts amongst other things.

The total Goods and Services expenditure significantly increased from R189.7 million to R344.3 million between 2015/16 and 2017/18 financial year after the restructuring of the departmental operational budget mainly to address the pressure due to increased costs of operations. The main drivers of expenditure were payment of rates and taxes as well as security costs. The budget will decrease from R374.8 million in 2019/20 to R275.1 million in the outer year of the MTEF due to the department receiving once off additional funding in respect of Rates and taxes, water and lights for 5 provincial assets; Municipal debt; and rates and taxes for non-transferred RDP stock and 5 provincial hostels amounting to R168 million. The goods and services budget will, amongst other things, provide for the payment of legal fees; rates and taxes; security costs; and the lease for the new departmental building.

Transfers and subsidies expenditure increased from R4.2 billion in 2015/16 to R5.1 billion in 2017/18 financial years due to HSDG funding reprioritised by the National Department of Human Settlements to fund priority projects in other provinces. In the 2018/19 financial year, the budget will amount to R5.3 billion and is intended to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. The budget

will grow to R5.5 billion in the outer year of the MTEF mainly as a result of reduced funding in respect of the HSDG amid tight fiscal constraints. The budget for transfers and subsidies is to a large degree earmarked to establishing sustainable human settlements where all citizens have access to housing and other social amenities, and to assist the department in delivering on its mega projects and programmes – mixed housing development, eradication of informal settlements, alternative tenure, and Urban Renewal Programme. Apart from the HSDG funding, the budget also includes the EPWP Integrated Grant earmarked for job creation initiatives across the province; Title Deeds Restoration Grant that will assist the department to fast track the issuing of title deeds to beneficiaries; and the Informal Settlements Upgrading Partnership Grant for Provinces aimed at eradicating informal settlements across the province.

Expenditure on machinery and equipment increased from R15.7 million in the 2016/17 financial year to R19.5 million in 2017/18. The growth in expenditure was attributed to the purchase of new furniture and equipment for the offices following the renovations made on the building; the relocation of the Johannesburg regional offices; and the procurement of computer equipment. The budget will increase from R11 million in 2019/20 to R26.7 million in 2021/22 and can be linked mainly to the increase in estimated inflation projections. Funding made available will be utilised for procuring telecommunication equipment (Network LAN) and tools of trade for the personnel to carry out their duties efficiently and effectively. This is due to the envisaged increase in human resource capacity to augment the professional capacity of the department.

7.4 Departmental Infrastructure Payment

7.4.1 Departmental infrastructure payments:

Please refer to the 2019 Estimates of Capital Expenditure (ECE) for details on infrastructure payments.

7.4.2 Departmental Public-Private-Partnership (PPP) projects

N/A

7.5 Transfers

7.5.1 Transfers to public entities

TABLE 8.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Gauteng Partnership Fund	200 000	212 400	224 719	237 753	609 000	609 000	251 067	264 876	279 444
Total departmental transfers	200 000	212 400	224 719	237 753	609 000	609 000	251 067	264 876	279 444

The Gauteng Partnership Fund facilitates investment capital flow into integrated developments, as per the Sustainable Human Settlements Policy Framework to facilitate equitable risk sharing project financing and participate in Social Housing Projects through innovative funding interventions with Social Housing institutions (as a mechanism to entice capital market investment into this market). The role of the GPF functions as a financing vehicle and implementation agent of the Gauteng Department of Human Settlements (GDHS) for mega human settlements projects, and as a custodian of strategic provincial land transferred to the GPF for effective fixed-asset management.

The GPF receives contributions from the GDHS from time to time, but the entity funds itself mainly from the interest earned from the original capitalisation of the GDHS donation. The GPF receives interest from loans that were extended to borrowers. In 2015/16 the contribution amounted to R200 million and increased to R224.7 million in 2017/18, and R609 million in 2018/19. The significant increase during the adjusted budget of 2018/19 is mainly to facilitate the delivery of mega projects across all corridors of the Gauteng City region (GCR). The GPF will receive a contribution of R251 million in 2019/20, which will assist to strengthen its strategic objective of increasing and leveraging private sector funding for affordable housing in Gauteng, with the ultimate aim of increasing the rate of delivery of sustainable human settlements in the province. The funding is expected to increase to R264.9 million in 2018/19, and to R279.4 million in the outer years of the MTEF.

7.5.2 Transfers to other entities

N/A.

7.5.3 Transfers to local government

TABLE 8.6 SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	516 576	741 384	492 797	327 091	386 649	386 649	401 507	371 304	391 726
Category B	135 066	190 452	246 070	211 327	226 283	226 283	151 438	151 438	159 767
Total departmental transfers	651 642	931 836	738 867	538 418	612 932	612 932	552 945	522 742	551 493

Transfers to local government increased from R651.6 million to R931.8 million, between 2015/16 and 2016/17. During the 2015/16 period the department transferred a total of R516.5 million to Category A, and R135 million to Category B municipalities. All transfers made to Category A municipalities were for the delivery of housing stock/units, where the municipality is appointed as an implementing agent. R40.5 million was transferred to Randfontein Municipality for the construction of a water reservoir, which unlocked a number of developments in the West Rand area and parts of the southern region. The budget for the construction of the water reservoir was funded from the mining town's earmarked allocation. R82 million was transferred to Merafong Municipality and was earmarked for the construction of a bridge over a railway line to connect the old and new developments; R22 million was earmarked for servicing of 500 sites and R34 million was allocated for the construction of 265 housing units.

In the 2016/17 financial year, category A municipalities received R741.3 million, whereas category B municipalities received R190.4 million. The department entered into subsidy funding agreements with all the municipalities receiving funds. The funding was primarily for the construction of top structures, and to a lesser degree, servicing of stands. Mining towns' funds are being used to a large degree for infrastructure upgrades. These areas do not receive funds from the USDG. Funding is provided for these targeted areas to unblock development bottlenecks. The budget for transfers to local government decreased to R738.8 million in 2017/18 as the department planned to implement some of the projects previously implemented by municipalities. The budget will further decrease to R612.9 million in 2018/19 and R552.9 million in 2019/20. For the outer years of the MTEF, the budget will remain relatively stable at R551.5 million. Funding made available to the municipalities will continue to be utilised primarily for the construction of top structures and to a lesser degree servicing of stands.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The main goal of this Programme is to strengthen and align the department's ability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (human resources, financial management, supply chain, information and communication technology (ICT), risk management and facilities' management and support). The Programme ensures effective leadership, management and administrative support of the core business divisions through continuous refinement of organisational strategy and structure, in compliance with appropriate legislation and practice. The Programme's outputs are in line with government's Outcome 12, which seeks to achieve "An efficient, effective and developmental-oriented public service and an empowered, fair and inclusive citizenship".

Programme objectives

- To ensure that the department's supply-chain processes are conducted in a manner that is fair, transparent, equitable, competitive and cost effective, and that the management and operation of the function is efficient and effective, and adds value to the strategic objectives of the department;
- To ensure that human resources management is a strategic partner to all units in the department;
- To provide effective legal services to the department;
- To provide efficient and effective facilities management to the department;
- To provide effective, efficient and stable ICT infrastructure and support to the department;
- To ensure prudent financial management, efficient and effective procurement systems, and to ensure that financial planning and budgeting are aligned with the department's Strategic Plan;
- To provide for the functioning of the Office of the MEC and legislative support services;
- To ensure effective, efficient and transparent risk management, financial systems and controls to safeguard departmental assets; and
- To ensure good corporate governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility in departmental operations.

TABLE 8.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Corporate Services	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724
Total payments and estimates	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724

TABLE 8.8: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	362 731	416 282	387 021	470 797	539 199	531 233	638 384	542 470	587 059
Compensation of employees	237 472	197 154	218 739	269 621	269 621	215 079	281 559	301 773	331 965
Goods and services	125 259	219 128	168 282	201 176	269 578	316 154	356 825	240 697	255 094
Transfers and subsidies to:	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Households	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Payments for capital assets	1 059	15 751	25 910	41 358	21 868	21 868	20 056	34 860	36 777
Machinery and equipment	1 052	15 716	19 438	29 305	12 815	12 815	11 010	25 316	26 708
Software and other intangible assets	7	35	6 472	12 053	9 053	9 053	9 046	9 544	10 069
Payments for financial assets	19	28 993	44		88	88			
Total economic classification	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724

Expenditure for the programme increased from R364.8 million in 2015/16 financial year, to R461.7 million in 2016/17, mainly due to the personnel budget shifting from other programmes to this programme, in line with the concurred organisational structure. In the 2017/18 financial year, expenditure decreased to R413.8 million, largely due to the budget being adjusted downwards as a result of the realignment of the departmental operational budget where funds were reprioritised to other programmes where expenditure was incurred and functions performed. During the budget adjustment process in 2018/19, the programme received a once-off provincial additional funding amount of R45 million for the payment of rates and taxes for non-transferred RDP stock and five provincial hostels and increased the budget for the programme to R562.5 million. The budget over the MTEF is expected to decrease from R659.8 million in 2019/20 to R625.7 million in the outer year of the MTEF due to once-off additional funding received by the department for rates and taxes of non-transferred RDP stock and five provincial hostels; rates and taxes, water and lights for 5 provincial assets; and municipal debt in 2019/20. The budget in the programme will assist the department in improving its professionalism by employing scarcer skills to support core programmes. The allocated funding will also enable the department to strengthen governance, combat fraud and corruption and enhance security and risk management by conducting internal audits and facilitating external audits.

Expenditure on compensation of employees decreased from R237.5 million in 2015/16 to R218.7 million in 2017/18, mainly due to the personnel budget shifting from this programme to other programmes; in line with the approved structure during the 2015/16 financial year and the land use management function shifting to the department of Infrastructure Development in 2017/18. The budget will increase from R281.6 million in the 2019/20 financial year to R332 million in the outer year of the MTEF. The increase is mainly attributable to the yearly general increment, related to improved conditions of employment, as well as the filling of critical vacant posts in the department.

The programme's goods and services expenditure increased from R125.3 million in 2015/16 to R219.1 million in 2016/17. The increase in expenditure related mainly to payment of software licences, office refurbishment and the establishment of the project management office. In 2017/18, expenditure decreased to R168.3 million and the significant decrease can be attributed to the programme's goods and services budget having received a once-off additional funding in the previous year for the payment of municipal services for the five provincial assets as well as the budget made available to provide for the payment of departmental operational activities. During the 2018/19 financial year, the budget was adjusted upwards to R269.5 million after the programme received an additional funding amount of R45 million for the payment of rates and taxes for non-transferred RDP stock and five provincial hostels as well as funds redirected from capital assets to augment the budgets for legal fees; contractors; and operating leases to provide for rental of buildings; security services for departmental buildings; and legal fees to counter land invasions and illegal occupation of housing before they are transferred to beneficiaries. In 2019/20, the budget will increase to R356.8 million, mainly due to a once-off additional funding amount of R120 million made available by the province for the payment of municipal debt and rates and taxes for non-transferred RDP

stock and 5 provincial hostels. For the two outer years of the MTEF, the budget will increase from R240.6 million 255 million and will provide for the operational activities of the department.

The machinery and equipment's expenditure significantly increased by 74 percent between the financial years of 2015/6 and 2016/17. The growth in expenditure is attributable to the purchase of new furniture and equipment for the office, following the renovations made to the building and the reallocation of the Johannesburg regional offices. In 2017/18, expenditure further increased to R25.9 million, and the increase in expenditure was caused by the procurement of the telecommunication system (Network Lan) and tools of trade for the personnel to carry out their duties effectively and efficiently. The budget will increase from R20 million in 2019/20 financial to R36.7 million in 2021/22 financial year due to the envisaged increase in human resource capacity to augment the professional capacity of the department.

PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

Programme description

The purpose of this Programme is to facilitate and undertake housing delivery planning; identify housing needs; provide a regulatory framework for housing delivery; develop policy guidelines; provide provincial inputs on housing legislation and any amendments to these; develop provincial multi-year housing delivery plans; ensure alignment of housing plans with IDPs, and conduct research into the demand for housing. The Programme promotes effective and efficient delivery of provincial and local government housing programmes; integrated redevelopment of urban communities at scale, and sustainable local economies. It performs a number of transversal functions, including quality assurance, research and development and inputs into policy development, and planning and housing support.

Programme objectives

- To develop and implement departmental policies and to initiate research to achieve strategic objectives;
- To facilitate the realignment of, and compliance with, the regulatory environment for sustainable human settlements;
- To develop annual performance plans and the Five Year Strategic Plan;
- To implement, revise and review the department's Programme of Action (PoA); and
- To provide support to various directorates in the department on the development of performance, and indicators for both the annual performance plans (APPs) and the PoA.

TABLE 8.9: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Administration	1 334	587	8 721	15 062	15 061	10 310	15 905	16 765	17 687
2. Policy	17 664	14 912	27 570	14 963	14 664	5 422	15 807	16 697	17 617
3. Planning	3 197	2 948	9 061	11 753	11 753	2 615	12 414	13 095	13 815
4. Research	174								
Total payments and estimates	22 369	18 447	45 352	41 778	41 478	18 347	44 126	46 557	49 119

TABLE 8.10: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	22 369	18 442	45 294	41 778	41 478	18 342	44 126	46 557	49 119
Compensation of employees	21 422	17 824	43 887	36 335	36 335	12 741	38 371	40 485	42 713
Goods and services	947	618	1 407	5 443	5 143	5 601	5 755	6 072	6 406
Interest and rent on land									
Transfers and subsidies to:			45			5			
Provinces and municipalities									
Households			45			5			
Payments for capital assets		5	13						
Buildings and other fixed structures									
Machinery and equipment		5	13						
Land and sub-soil assets									
Software and other intangible assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets									
Total economic classification	22 369	18 447	45 352	41 778	41 478	18 347	44 126	46 557	49 119

The programme's expenditure increased, from R22.4 million in 2015/16 to R45.4 million in 2017/8. The increase was mainly attributable to the personnel budget shift from Programme 3: (Housing development) to this programme as per the concurred staff establishment. The budget will increase from R44.1 million in 2019/2 to R49.1 million in the 2021/22 financial year. The budget increase is mainly due to the multi-year wage agreement which caters for the cost of living adjustments. The programme is mainly responsible for the development and implementation of departmental policies, initiation of research to achieve strategic objectives, and ensuring alignment and compliance within the regulatory environment for sustainable human settlements and building new cities.

The expenditure for sub-programme: Policy increased R17.7 million R27.6 million between the 2015/16 and 2017/18 financial years, mainly to develop and implement policies to achieve strategic objectives and ensure alignment and compliance within the regulatory environment.

The expenditure on sub-programme: Planning increased from R3.2 million to R9 million between the 2015/16 and 2017/18 financial years, mainly to support the development and alignment of the departmental planning frameworks; including the APP's, the integrated multi-year housing development plan, the mid-term budget policy statements and the PoA's, in line with national and provincial requirements. The budget allocated for the programme is R11.7 million in 2018/19, mainly due to a virement from this programme to programme 1: Administration to augment the budget for legal fees; contractors; and operating leases within that programme. The budget for 2019/20 financial year will be R12.4 million and will grow to R13.8 million in the outer of the MTEF.

SERVICE DELIVERY MEASURES

PROGRAMME 2: HOUSING, NEEDS, RESEARCH AND PLANNING

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of Acts passed and or policy guidelines approved	3	3	3	3
Number of municipalities capacitated and supported with regards to human settlements development planning	12	12	12	12
Number of research projects approved	2	2	2	2
Number of research papers completed	2	2	2	2

PROGRAMME 3: HOUSING DEVELOPMENT

Programme description

The core focus of the Housing Development Programme is to build integrated, cohesive, and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements. The Programme's emphasis is on the provision of individual subsidies and housing opportunities for beneficiaries, in accordance with the National Housing Policy. This programme promotes effective and efficient delivery of provincial and local housing programmes. It concentrates on the integrated redevelopment of urban communities at scale, and cultivating sustainable local economies. The Programme's outputs are reflected in government's Outcome 8, which seeks to achieve "Sustainable human settlement and improved quality of household life".

Programme objectives

- To provide and develop integrated infrastructure for the creation of cohesive communities;
- To promote home ownership;
- To reduce levels of unemployment substantially;
- To create a healthy and clean living environment;
- To provide engineering services at an affordable and sustainable cost;
- To reduce levels of crime and violence;
- To upgrade existing housing and create additional affordable housing;
- To alleviate poverty;

- To create sustainable livelihoods;
- To create a caring and responsive government;
- To create a better life for all; and
- To implement integrated, high-impact, time-bound and targeted interventions.

TABLE 8.11: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	162 859	165 030	174 700	152 722	148 022	191 973	157 548	166 213	175 356
2. Financial Interventions	461 805	549 380	703 157	1 339 575	1 368 604	1 368 604	775 633	1 427 146	1 505 639
3. Incremental Interventions	3 095 163	3 733 464	4 189 208	3 288 072	3 374 276	3 374 278	4 126 611	3 377 147	3 521 080
4. Social And Rental Intervention	543 731	800 435	236 205	381 489	392 629	392 629	225 012	291 269	307 289
5. Rural Intervention	15 263	99 284	29 982	2 000	4 244	4 244	4 000	40 903	43 153
Total payments and estimates	4 278 821	5 347 593	5 333 252	5 163 858	5 287 775	5 331 728	5 288 804	5 302 678	5 552 517

TABLE 8.12: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	160 031	162 737	161 353	152 722	148 022	191 843	157 548	166 213	175 356
Compensation of employees	96 729	154 577	152 112	139 069	139 069	185 886	146 440	154 495	162 992
Goods and services	63 302	8 160	9 241	13 653	8 953	5 957	11 108	11 718	12 364
Transfers and subsidies to:	4 118 790	5 184 856	5 053 408	261 392	5 137 038	4 399 881	5 131 256	5 136 465	5 377 161
Provinces and municipalities									
Households	4 118 790	5 184 856	5 053 408	261 392	5 137 038	4 399 881	5 131 256	5 136 465	5 377 161
Payments for capital assets			118 491	4 749 744	2 715	740 004			
Buildings and other fixed structures			118 491	4 749 744	2 715	740 004			
Software and other intangible assets									
Payments for financial assets									
Total economic classification	4 278 821	5 347 593	5 333 252	5 163 858	5 287 775	5 331 728	5 288 804	5 302 678	5 552 517

The Programme's purpose is to establish sustainable human settlements where all citizens have access to housing and other social amenities, and to assist the department to deliver on its mega projects and programmes—mixed housing development, eradication of informal settlements, alternative tenure, and the Urban Renewal Programme.

The Programme takes up the largest share of the department's budget and expenditure (about 85 percent of the budget and expenditure can be located to this programme). Expenditure increased from R4.3 billion in 2015/16 to R5.3 billion in the 2016/17 and 2017/18 financial years. An additional funding amount of R390 million was made available for provincial mega projects and the provision of bulk infrastructure for Syferfontein Phases 1–2 and Savannah City following the decision that was made by the National Department of Human Settlements to reprioritise R908 million from the provincial HSDG allocation to priority provinces. The HSDG budget was further reduced by R400 million, over a period of three years, from 2014/15 to the 2016/17 financial years, to make provision for the HDA. Included in the expenditure for the financial year of 2017/18 is a once-off additional amount of R100 million from the province to fund bulk infrastructure for the Syferfontein Phase 2 mega project. An amount of R124 million was made available for the revamping of mining towns that included Merafong, Randfontein and Westonaria in the same period. For the financial year of 2018/19, the budget was adjusted to R5.3 billion and includes an allocation of R14 million from the EPWP-integrated grant made available for job creation initiatives in the province, as well as funding made available for provincial infrastructure. The budget for the Programme will remain relatively stable at R5.3 billion between the 2018/19 and 2019/20 financial years. Included in the allocation for this programme in 2019/20 is an amount of R10.4 million in the form of the EPWP Integrated Grant earmarked for job creation initiatives across the province as well as funding made available by the province amounting to R16.3 million earmarked for rolling out provincial infrastructure. Over the MTEF, the budget for the programme will increase to R5.6 billion in the outer year of the MTEF. The budget for the programme will enable the department to build integrated, cohesive and sustainable communities by ensuring

that innovative services and infrastructure are provided to create human settlements and promote effective and efficient delivery of provincial and local housing programmes.

Expenditure for the Sub-Programme Financial Interventions increased from R461.8 million in 2015/16 to R703.2 million in the 2017/18 financial year, mainly to cater for credit-linked individual housing subsidies, housing-finance linked individual subsidies, the EEDBS, Rectified RDP stock (1994–2002), social and economic facilities, NHBRC enrolment and procurement of land parcels. The expenditure also facilitated immediate access to housing goods and services, created an enabling environment and provided implementation support. In 2018/19, the Sub-Programme’s budget amounted to R1.3 billion. The increase in the programme’s budget is attributable to the reprioritisation of the departmental business plan, and the EEDBS funding moving to Programme 4: (Housing Assets and Property Management). The Sub-Programme budget will increase from R775.6 million to R1.5 billion between the financial years of 2019/20 and 2021/22. The allocated budget over the MTEF will assist the department in intensifying programmes that facilitate immediate access of housing goods and services, creating an enabling environment and providing implementation support.

The Sub-Programme: Incremental Intervention’s main objective is to establish sustainable human settlements where all citizens have access to housing and other social amenities. Expenditure for the Sub-Programme grew from R3.1 billion in the 2015/16 financial year to R4.2 billion in the 2017/18 financial year, mainly due to additional funding of R390 million made available for provincial mega projects and provision of bulk infrastructure for Syferfontein Phases 1–2 and Savannah City. HSDG funding was reduced by R400 million over the 2016 MTEF, to make provision for the Housing Development Agency (HDA) and the large share of the cut was absorbed by this Sub-Programme. Included in the expenditure for the Sub-Programme in 2016/17 was an amount of R124 million earmarked for the mining towns of Merafong, Randfontein and Westonaria. The budget decreased from R4.2 billion in the 2017/18 financial year to R3.4 billion in the 2018/19 financial year, mainly due to the HSDG funding being reduced amid tight fiscal constraints. The budget will increase to R3.5 billion over the MTEF, and it will enable the department to build integrated, cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create human settlements and promote effective and efficient delivery of provincial and local housing programmes. Included in the allocation for this sub-programme for 2019/20 is an amount of R10.4 million in the form of the EPWP Integrated Grant earmarked for job creation initiatives across the province as well as funding made available by the province amounting to R16.3 million earmarked for rolling out provincial infrastructure.

Expenditure for the Sub-Programme: Social and Rental Intervention increased from R543.7 million in 2015/16 to R800.4 million in 2016/17, mainly because of a portion of the personnel budget was moved from this Programme to Programme 1: Administration, in line with the organisational structure and where functions were performed in 2015/16, and the growing demand for housing resulting from, among other factors, in-migration to the province. The budget will amount to R225 million in 2019/20, and will provide for institutional subsidies and construction of housing units for CRUs over the MTEF period. The budget for the Sub-Programme will increase to R291.3 million and R307.3 million respectively, for the two outer years of the MTEF.

Transfers and subsidies expenditure increased from R4.1 billion in 2015/16 to R5.1 billion in 2017/18 financial years due to HSDG funding that was reprioritised by the National Department of Human Settlements to fund priority projects in other provinces. In the 2018/19 financial year, the budget will amount to R5.1 billion and is intended to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. The budget will grow to R5.4 billion in the outer year of the MTEF mainly as a result of reduced funding in respect of the HSDG amid tight fiscal constraints. The budget for transfers and subsidies is to a large degree earmarked for establishing sustainable human settlements where all citizens have access to housing and other social amenities, and to assist the department to deliver on its mega projects and programmes – mixed housing development, eradication of informal settlements, alternative tenure, and the Urban Renewal Programme. Apart from the HSDG funding, the budget also includes the EPWP Integrated Grant earmarked for job creation initiatives across the province; Title Deeds Restoration Grant (that will assist the department in being able to fast track the issuing of title deeds to beneficiaries); and the Informal Settlements Upgrading Partnership Grant for Provinces aimed at eradicating informal settlements across the province.

SERVICE DELIVERY MEASURES**PROGRAMME 3: HOUSING DEVELOPMENT**

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of houses/units built for financial interventions	563	2 988	1 750	1 750
Number of land parcels / hectares acquired for human settlements development	4	9 560	4 780	0
Number of stands serviced for incremental interventions	5 195	10 682	10 929	11 029
Number of houses/units built for incremental interventions	5 299	18 730	14 896	13 965
Number of Social Housing Capital Grant Units built	44	2 224	2 888	3 500

PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT**Programme description**

The purpose of the Programme is to promote home-ownership in historically-disadvantaged communities. It coordinates, manages and oversees the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands, and encourages and supports the provision of tools and personnel to maintain these departmental immovable assets. The department motivates, guides and manages the provision of tenure for occupants, and promotes home ownership through sectionalisation of flats. It disposes of the department's commercial properties.

Programme objectives

- To capacitate social housing institutions to accelerate housing delivery;
- To facilitate the stabilisation of the sectional title environment;
- To facilitate an enabling environment that allows for the delivery of social housing including facilitating the involvement of financial institutions;
- To phase out special needs housing and facilitate interactions with provincial departments;
- To provide housing assistance to departmental staff;
- To facilitate medium-density housing (rental, instalment sale and cooperative housing);
- To facilitate affordable rental accommodation (including upgrade of backyard rentals and non-transferable stock);
- To promote home ownership;
- To dispose of commercial property and vacant land owned by the department in the most economical way; and
- To deliver housing units in targeted presidential projects.

TABLE 8.13: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration		13 448	6 118	4 468	4 468	35 843	7 582	7 995	8 435
2. Sales And Transfer Of Housing Properties	39 388	62 277	100 309	105 811	105 811	105 850	156 204	164 795	104 075
3. Devolution Of Housing Properties									
4. Housing Properties Maintenance	37 319	54 267	65 176	60 000	60 000	60 000	60 000	60 000	63 300
Total payments and estimates	76 707	129 992	171 603	170 279	170 279	201 693	223 786	232 790	175 810

TABLE 8.14: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	195	13 448	171 192	4 468	4 468	35 871	7 582	7 995	8 435
Compensation of employees		12 445	5 827	3 407	3 407	34 726	6 460	6 811	7 186
Goods and services	195	1 003	165 365	1 061	1 061	1 145	1 122	1 184	1 249
Interest and rent on land									
Transfers and subsidies to:	76 512	116 544	324		165 811	82 357	216 204	224 795	167 375
Provinces and municipalities									
Non-profit institutions									
Households	76 512	116 544	324		165 811	82 357	216 204	224 795	167 375
Payments for capital assets			87	165 811		83 465			
Buildings and other fixed structures			87	165 811		83 465			
Machinery and equipment									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	76 707	129 992	171 603	170 279	170 279	201 693	223 786	232 790	175 810

The Housing Assets Management and Property Management Programme's expenditure was R76.7 million in 2015/16. The expenditure increased to R171.6 million in 2017/18 mainly for the purpose of funding the EEDBS resulting from the reprioritisation of the departmental business plan. The budget remains relatively stable at R170.2 million during the 2018/19 financial year due to the reduction in conditional grants allocated to the department. Included in the allocation for the programme for the financial year under review is a new conditional grant in the form of the Title Deeds Restoration Grant which seeks to facilitate the issuing of title deeds to beneficiaries. The allocation will increase in the first two years of MTEF but will be reduced to R175.8 million for the outer year of the MTEF. The allocation for the programme is mainly intended for coordinating, managing and overseeing the maintenance of the departments immovable assets in the form of flats, hostels and vacant stands, and to provide the tools and personnel required for these activities. The programme motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats, and disposes off the department's commercial properties.

SERVICE DELIVERY MEASURES

PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of rental flats maintained)	8	11	9	7
Number disputes between landlords and tenants resolved by the Rental Tribunal	2 150	2 300	2 600	2 750
Number of commercial properties transferred to eligible beneficiaries	0	4	0	0
Number of hostels maintained	6	6	6	6
Number of vacant stands maintained	13	123	123	123

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 8.15: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: HUMAN SETTLEMENTS

R thousands	Actual				Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF						
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22				
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total		
Salary level																			
1 – 6	315	99 858	308	133 924	329	157 904	299	30	329	162 389	329	166 273	329	180 145	329	203 650	0%	8%	36%
7 – 10	350	103 315	346	110 835	346	122 323	342	4	346	126 022	346	134 694	346	142 103	346	149 920	0%	6%	28%
11 – 12	154	95 311	153	72 677	153	79 424	144	8	152	89 036	153	95 624	153	100 885	153	106 433	0%	6%	20%
13 – 16	43	37 298	42	42 144	42	46 190	41	2	43	49 188	42	52 829	42	55 733	42	58 799	(1%)	6%	11%
Other	21	19 841	21	22 420	14 724	14 724			21 797	21 797	23 410	23 410	24 698	24 698	26 056	26 056	0%	6%	5%
Total	883	355 623	870	382 000	870	420 565	826	44	870	448 432	870	472 830	870	503 564	870	544 858	0%	7%	100%
Programme																			
1. Administration	483	237 472	483	197 154	483	218 739	448	35	483	269 621	483	281 560	483	301 773	483	331 968	0%	7%	60%
2. Housing Needs, Research And Planning	38	21 422	38	17 824	38	43 887	37	1	38	36 335	38	38 370	38	40 481	38	42 709	0%	6%	8%
3. Housing Development	304	96 729	304	154 577	304	152 112	297	7	304	139 069	304	149 359	304	157 575	304	166 240	0%	6%	31%
4. Housing Assets Management Property Management	58		45	12 445	45	5 627	44	1	45	3 407	45	3 541	45	3 735	45	3 941	0%	5%	1%
Total	883	355 623	870	382 000	870	420 565	826	44	870	448 432	870	472 830	870	503 564	870	544 858	0%	7%	100%

The table above indicates that the personnel numbers will remain stable at 870 over the MTEF, as the department does not plan to create additional positions but rather to fill all the critical vacant positions in line with the approved structure. The slight decline from 883 to 870 is due to the land management function being moved to the department of Infrastructure Development. The departmental personnel budget will grow from R473 million (in 2019/20) to R545 million in the outer year of the MTEF. The growth in personnel costs is in line with inflation rates and takes into consideration improved conditions of service. The personnel budget will over the MTEF keep cost (including overtime) within affordable levels; seek to align budget with the headcount; be aligned to HR plans; and minimise growth to ensure that CoE does not crowd out critical posts amongst other things.

9.2 Training

TABLE 8.16: INFORMATION ON TRAINING: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	883	870	870	870	870	870	870	870	870
Number of personnel trained	400	500	600	635	635	635	635	670	670
of which									
Male	160	240	240	254	254	254	254	268	268
Female	240	260	360	381	381	381	381	402	402
Number of training opportunities	20	25	25	26	26	26	26	27	27
of which									
Tertiary	8	10	12	13	13	13	13	14	14
Workshops	4	5	6	6	6	6	6	6	6
Seminars	3	3	2	2	2	2	2	2	2
Other	5	7	5	5	5	5	5	5	5
Number of bursaries offered	100	100	100	106	106	106	106	112	112
Number of interns appointed	30	30	30	32	32	32	32	34	34
Number of learnerships appointed	15	15	15	16	16	16	16	17	17
Number of days spent on training	100	120	126	133	133	133	133	140	140
Payments on training by programme									
1. Administration	3 686	3 547	5 818	5 868	5 868	5 868	4 730	4 990	5 265
2. Housing Needs, Research And Planning									
3. Housing Development									
4. Housing Assets Management Property Management									
Total payments on training	3 686	3 547	5 818	5 868	5 868	5 868	4 730	4 990	5 265

The transformation of the GDHS requires a continuous and uncompromising acquisition of the requisite skills. The table above provides the number of staff participating in the training programmes provided by the department to improve efficiency and service delivery. It shows a gender breakdown in relation to various types of training, as well as details of the number of bursaries and training developments. The training offered relates to the core service delivery programmes, which are aimed at improving performance and efficiency, i.e. technical planning and project management, strategic management, governance and financial management. The other training cost relates to bursaries for various institutions for different courses. The department budgeted one percent of the departments' total compensation to training as prescribed by the Skills Development Act (SDA).

The department will, over the 2019 MTEF, continue to offer bursaries (undergraduate and postgraduate) and support to staff members interested in pursuing their studies. In addition, the department grants internal and external bursaries, based on the number of applications received per annum and the cost attached to them. However, the department will be conducting a skills audit, focusing on the core occupations to inform a new human resource plan over the MTEF. This will result in different priorities that will be aligned to the departmental strategic plan and government priorities.

9.3 Reconciliation of structural changes

No Changes

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 8.17: SPECIFICATION OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	1 442	1 609	694	460	460	460	485	512	540
Sale of goods and services produced by department (excluding capital assets)	1 442	1 609	694	460	460	460	485	512	540
Sales by market establishments	1 442	1 609	694	460	460	460	485	512	540
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land		9	220	402	402	402	425	448	473
Interest		9	220	402	402	402	425	448	473
Sales of capital assets	1 500	3 211							
Other capital assets	1 500	3 211							
Transactions in financial assets and liabilities	34 716	6 086	1 989	4 319	4 319	4 319	4 561	4 812	5 077
Total departmental receipts	37 658	10 915	2 903	5 181	5 181	5 181	5 471	5 772	6 090

TABLE 8.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	545 326	610 909	764 860	669 765	733 167	777 289	847 640	763 235	819 969
Compensation of employees	355 623	382 000	420 565	448 432	448 432	448 432	472 830	503 564	544 856
Salaries and wages	308 961	332 614	367 381	370 427	370 427	379 879	395 569	421 107	457 863
Social contributions	46 662	49 386	53 184	78 005	78 005	68 553	77 261	82 457	86 993
Goods and services	189 703	228 909	344 295	221 333	284 735	328 857	374 810	259 671	275 113
Administrative fees	56	60	123	178	178	178	188	198	210
Advertising	3 525	2 011	3 073	3 511	3 011	1 511	2 715	2 864	3 022
Minor assets	52	349	573	1 460	501	501	1 541	1 626	1 715
Audit cost: External	12 531	7 323	9 602	14 192	12 192	10 192	12 018	12 678	13 375
Bursaries: Employees	446	976	2 105	2 639	2 639	2 639	3 001	3 166	3 340
Catering: Departmental activities	611	986	1 839	1 523	1 434	1 434	1 607	1 695	1 788
Communication (G&S)	12 280	11 043	10 499	10 915	7 815	6 115	11 515	12 148	12 816
Computer services	3 488	13 719	7 414	8 257	7 757	5 757	8 711	9 190	9 695
Consultants and professional services: Business and advisory services	20 195	17 875	28 605	19 041	18 541	30 454	20 078	13 170	13 895
Legal services		36	4 397		10 130	25 864	15 000	17 939	18 927
Contractors		765	13 465	14 619	31 195	31 195	19 680	16 212	17 104
Agency and support / outsourced services	5 402	26 295	4 033	5 881	5 881	5 881	6 193	6 534	6 894
Fleet services (including government motor transport)	10 149	5 768	4 605	7 865	4 865	4 865	5 000	5 275	5 565

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Inventory: Clothing material and accessories		46							
Inventory: Food and food supplies		16				2			
Inventory: Fuel, oil and gas									
Inventory: Medical supplies	6								
Consumable supplies	2 751	5 555	1 632	2 562	920	919	2 791	2 909	3 007
Consumable: Stationery, printing and office supplies	1 577	1 455	2 177	1 488	1 488	1 555	1 570	1 691	1 784
Operating leases	14 760	15 158	13 305	14 705	29 025	52 632	31 630	29 464	32 542
Property payments	88 731	105 867	221 414	87 664	132 530	132 530	216 664	106 330	111 940
Transport provided: Departmental activity									
Travel and subsistence	5 127	6 182	5 149	11 973	4 173	4 173	6 288	6 632	6 996
Training and development	3 240	2 571	1 772	3 229	2 429	2 429	1 730	1 628	1 718
Operating payments	1 080	832	425	2 813	1 313	1 313	1 548	2 079	2 193
Venues and facilities	3 696	4 021	8 088	6 818	6 718	6 718	5 342	6 243	6 587
Transfers and subsidies	4 196 305	5 302 025	5 054 603	261 747	5 304 204	4 483 598	5 348 830	5 363 050	5 546 424
Households	4 196 305	5 302 025	5 054 603	261 747	5 304 204	4 483 598	5 348 830	5 363 050	5 546 424
Social benefits	1 355	716	1 735	355	1 355	1 503	1 370	1 790	1 888
Other transfers to households	4 194 950	5 301 309	5 052 868	261 392	5 302 849	4 482 095	5 347 460	5 361 260	5 544 536
Payments for capital assets	1 059	15 756	144 501	4 956 913	24 583	845 337	20 056	34 860	36 777
Machinery and equipment	1 052	15 721	19 451	29 305	12 815	12 815	11 010	25 316	26 708
Transport equipment	837								
Other machinery and equipment	215	15 721	19 451	29 305	12 815	12 815	11 010	25 316	26 708
Software and other intangible assets	7	35	6 472	12 053	9 053	9 053	9 046	9 544	10 069
Payments for financial assets	19	28 993	44		88	88			
Total economic classification	4 742 709	5 957 683	5 964 008	5 888 425	6 062 042	6 106 312	6 216 526	6 161 145	6 403 170

TABLE 8.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	362 731	416 282	387 021	470 797	539 199	531 233	638 384	542 470	587 059
Compensation of employees	237 472	197 154	218 739	269 621	269 621	215 079	281 559	301 773	331 965
Salaries and wages	205 100	170 696	190 108	215 508	215 508	174 646	229 467	245 870	272 987
Social contributions	32 372	26 458	28 631	54 113	54 113	40 433	52 092	55 903	58 978
Goods and services	125 259	219 128	168 282	201 176	269 578	316 154	356 825	240 697	255 094
Administrative fees	56	60	123	178	178	178	188	198	210
Advertising	3 525	1 956	2 814	3 511	3 011	1 511	2 715	2 864	3 022
Minor assets	42	344	505	669	210	210	708	747	787

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Audit cost: External	12 531	7 323	8 178	14 192	12 192	10 174	12 018	12 678	13 375
Bursaries: Employees	446	976	2 105	2 639	2 639	2 637	3 001	3 166	3 340
Catering: Departmental activities	610	918	1 674	1 158	1 069	1 069	1 222	1 289	1 360
Communication (G&S)	12 280	11 043	10 499	10 915	7 815	6 115	11 515	12 148	12 816
Computer services	3 488	13 719	7 414	8 257	7 757	5 757	8 711	9 190	9 695
Consultants and professional services: Business and advisory services	17 204	16 998	26 919	15 037	14 537	28 157	15 864	8 737	9 218
Legal services		36	4 397		10 130	25 864	15 000	17 939	18 927
Contractors		765	13 465	14 619	31 195	31 195	19 680	16 212	17 104
Agency and support / outsourced services		21 090				468			
Fleet services (including government motor transport)	10 149	5 768	4 605	7 865	4 865	4 865	5 000	5 275	5 565
Inventory: Clothing material and accessories		46							
Inventory: Food and food supplies		16							
Inventory: Fuel, oil and gas									
Inventory: Medical supplies	6								
Consumable supplies	2 314	5 544	1 580	2 172	530	530	2 346	2 474	2 547
Consumable: Stationery, printing and office supplies	1 572	1 449	2 173	1 398	1 398	1 555	1 475	1 556	1 642
Operating leases	14 760	15 158	13 305	14 705	29 025	52 632	31 630	29 464	32 542
Property payments	37 491	105 867	56 348	87 664	132 530	132 461	216 664	106 330	111 940
Transport provided: Departmental activity									
Travel and subsistence	2 171	3 229	2 574	5 239	1 439	1 439	2 500	2 637	2 782
Training and development	3 240	2 571	1 772	3 229	2 429	2 429	1 730	1 628	1 718
Operating payments	304	271	368	1 557	557	710	642	677	714
Venues and facilities	3 070	3 981	7 464	6 172	6 072	6 198	4 216	5 488	5 790
Transfers and subsidies	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Households	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Social benefits	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Payments for capital assets	1 059	15 751	25 910	41 358	21 868	21 868	20 056	34 860	36 777
Machinery and equipment	1 052	15 716	19 438	29 305	12 815	12 815	11 010	25 316	26 708
Transport equipment	837								
Other machinery and equipment	215	15 716	19 438	29 305	12 815	12 815	11 010	25 316	26 708
Software and other intangible assets	7	35	6 472	12 053	9 053	9 053	9 046	9 544	10 069

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets	19	28 993	44		88	88			
Total economic classification	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724

TABLE 8.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	22 369	18 442	45 294	41 778	41 478	18 342	44 126	46 557	49 119
Compensation of employees	21 422	17 824	43 887	36 335	36 335	12 741	38 371	40 485	42 713
Salaries and wages	18 812	15 774	38 201	28 347	28 347	11 364	29 949	31 599	33 338
Social contributions	2 610	2 050	5 686	7 988	7 988	1 377	8 422	8 886	9 375
Goods and services	947	618	1 407	5 443	5 143	5 601	5 755	6 072	6 406
Administrative fees									
Advertising									
Minor assets	7	3	16	68	68	68	72	76	80
Catering: Departmental activities	1	68	75	68	68	68	71	75	79
Consultants and professional services: Business and advisory services	174		1 686	4 004	4 004	2 297	4 214	4 433	4 677
Agency and support / outsourced services		461	(552)			2 328			
Inventory: Clothing material and accessories									
Consumable supplies		10	5	11	11	10	11	12	13
Consumable: Stationery, printing and office supplies			4	54	54		57	60	63
Travel and subsistence	139	36	69	266	266	266	282	297	313
Operating payments			57	551	251	251	160	615	649
Venues and facilities	626	40	47	421	421	295	888	504	532
Transfers and subsidies			45			5			
Payments for capital assets		5	13						
Buildings and other fixed structures									
Buildings									
Machinery and equipment		5	13						
Other machinery and equipment		5	13						
Payments for financial assets									
Total economic classification	22 369	18 447	45 352	41 778	41 478	18 347	44 126	46 557	49 119

TABLE 8.21: PAYMENT AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	160 031	162 737	161 353	152 722	148 022	191 843	157 548	166 213	175 356
Compensation of employees	96 729	154 577	152 112	139 069	139 069	185 886	146 440	154 495	162 992
Salaries and wages	85 049	135 174	133 833	124 123	124 123	163 585	130 702	137 891	145 475
Social contributions	11 680	19 403	18 279	14 946	14 946	22 301	15 738	16 604	17 517
Goods and services	63 302	8 160	9 241	13 653	8 953	5 957	11 108	11 718	12 364
Minor assets	3	2	52	556	56	56	585	617	652
Audit cost: External			1 424						
Catering: Departmental activities			81	128	128	128	135	142	150
Consultants and professional services: Business and advisory services	2 817								
Contractors									
Agency and support / outsourced services	5 402	4 744	4 585	5 881	5 881	3 085	6 193	6 534	6 894
Consumable supplies	242	1	47	42	42	42	77	46	49
Consumable: Stationery, printing and office supplies	5	6		36	36		38	75	79
Operating leases									
Property payments	51 240								
Travel and subsistence	2 817	2 846	2 475	6 305	2 305	2 305	3 334	3 517	3 710
Operating payments	776	561		705	505	337	746	787	830
Venues and facilities			577						
Transfers and subsidies	4 118 790	5 184 856	5 053 408	261 392	5 137 038	4 399 881	5 131 256	5 136 465	5 377 161
Households	4 118 790	5 184 856	5 053 408	261 392	5 137 038	4 399 881	5 131 256	5 136 465	5 377 161
Social benefits	352	91	864			132			
Other transfers to households	4 118 438	5 184 765	5 052 544	261 392	5 137 038	4 399 749	5 131 256	5 136 465	5 377 161
Payments for capital assets			118 491	4 749 744	2 715	740 004			
Buildings and other fixed structures			118 491	4 749 744	2 715	740 004			
Buildings			118 491	4 749 744	2 715	740 004			
Payments for financial assets									
Total economic classification	4 278 821	5 347 593	5 333 252	5 163 858	5 287 775	5 331 728	5 288 804	5 302 678	5 552 517

TABLE 8.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	195	13 448	171 192	4 468	4 468	35 871	7 582	7 995	8 435
Compensation of employees		12 445	5 827	3 407	3 407	34 726	6 460	6 811	7 186
Salaries and wages		10 970	5 239	2 449	2 449	30 284	5 451	5 747	6 063
Social contributions		1 475	588	958	958	4 442	1 009	1 064	1 123
Goods and services	195	1 003	165 365	1 061	1 061	1 145	1 122	1 184	1 249

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Advertising		55	259						
Minor assets				167	167	167	176	186	196
Catering: Departmental activities			9	169	169	169	179	189	199
Consultants and professional services: Business and advisory services		877							
Consumable supplies	195			337	337	337	357	377	398
Travel and subsistence		71	31	163	163	163	172	181	191
Venues and facilities				225	225	225	238	251	265
Transfers and subsidies	76 512	116 544	324		165 811	82 357	216 204	224 795	167 375
Households	76 512	116 544	324		165 811	82 357	216 204	224 795	167 375
Other transfers to households	76 512	116 544	324		165 811	82 346	216 204	224 795	167 375
Payments for capital assets			87	165 811		83 465			
Payments for financial assets									
Total economic classification	76 707	129 992	171 603	170 279	170 279	201 693	223 786	232 790	175 810

TABLE 8.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENTS DEVELOPMENT GRANT PROGRAMME 3

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transfers and subsidies	4 071 467	5 022 669	5 052 868	261 392	5 302 849	4 482 095	5 164 409	4 319 346	4 293 873
Provinces									
Households	4 071 467	5 022 669	5 052 868	261 392	5 302 849	4 482 095	5 164 409	4 319 346	4 293 873
Social benefits									
Other transfers to households	4 071 467	5 022 669	5 052 868	261 392	5 302 849	4 482 095	5 164 409	4 319 346	4 293 873
Payments for capital assets			118 578	4 915 555	2 715	823 469			
Buildings and other fixed structures			118 578	4 915 555	2 715	823 469			
Buildings			118 578	4 915 555	2 715	823 469			
Other fixed structures									
Total economic classification	4 071 467	5 022 669	5 171 446	5 176 947	5 305 564	5 305 564	5 164 409	4 319 346	4 293 873

TABLE 8.25: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	516 576	741 384	492 797	327 091	386 649	386 649	401 507	371 304	391 726
Ekurhuleni	127 759	126 738	51 203		294 696	294 696			
City of Johannesburg	302 161	411 613	292 315	249 091	68 961	68 961	245 507	254 304	268 291
City of Tshwane	86 656	203 033	149 279	78 000	22 992	22 992	156 000	117 000	123 435
Category B	135 066	190 452	246 070	211 327	226 283	226 283	151 438	151 438	159 767
Emfuleni									
Midvaal									
Lesedi									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Mogale City		86 752	35 269	91 000	91 000	91 000	31 111	31 111	32 822
Merafong City	52 500	32 700	139 701	46 944	46 900	46 900	46 944	46 944	49 526
Rand West City		44 700	71 100	73 383	88 383	88 383	73 383	73 383	77 419
Category C									
Sedibeng District Municipality									
West Rand District Municipality									
Unallocated									
Total transfers to municipalities	651 642	931 836	738 867	538 418	612 932	612 932	552 945	522 742	551 493

VOTE 9

DEPARTMENT OF ROADS AND TRANSPORT

To be appropriated by vote in 2019/20	R 7 708 630 000
Responsible Executing Authority	MEC for Roads and Transport
Administering Department	Department of Roads and Transport
Accounting Officer	Head of Department

1. OVERVIEW

The mandate of the Gauteng Department of Roads and Transport (GDRT) is to provide an integrated transport system that is reliable, accessible, safe, affordable, and has a broad range of socio-economic effects. The department also contributes to the provincial outcome of providing an environmentally sustainable road infrastructure that is inclusive of increased accessibility and efficiency, employment creation and social inclusion of all citizens of the province.

Vision

A modern integrated, efficient and sustainable transport and roads infrastructure system in Gauteng.

Mission

To facilitate and provide an integrated transport system that:

- Is reliable accessible, safe, and affordable;
- Promotes socio-economic development in Gauteng;
- Is environmentally sustainable; and
- Supports industrialisation and radical socio-economic transformation.

Strategic Goals

- A modern integrated public transport system that provides customer-centric transport services;
- Strategic economic transport infrastructure that stimulates socio-economic growth; and
- A modern, accountable and development-oriented department.

Core functions and responsibilities

- To contribute to the achievement of departmental outcomes;
- To develop and maintain a sustainable road infrastructure that contributes to increased economic growth and enhanced quality of life in Gauteng;
- To develop a policy framework in support of a modern, integrated and intelligent transport system;
- To contribute to the regulation of transport-related carbon emissions;
- Through green transport, to contribute to environmental protection;
- To provide public transport infrastructure to promote integration and inter-modality of public transport;
- To regulate public transport operations through the issuing of operating licenses and permits;
- To regulate public transport operations through the registration of associations;
- To issue valid drivers' licences; and
- To issue valid vehicle licenses.

Main services

Main services	Actual customers	Current standard of service	Actual achievement
Testing and issuing drivers and learner licences.	Aspirant drivers.	Testing and issuing of learner licences completed within two hours.	Testing and issuing of learner licences completed within two hours.

Main services	Actual customers	Current standard of service	Actual achievement
	Testing and issuing of learner licences completed within two hours.	Testing and issuing of drivers licences (temporary) completed within one and a half hours.	Generally licences are issued within the standard. However, there were also instances where driver's licences were issued a day or more after the test.
		The driving licence card to be ready for collection within four weeks.	Issued according to standard but between April and July, there were delays in terms of card collection owing to the change from one service provider to another.
Testing of vehicles and issuing of roadworthy certificates.	Vehicle owners and road users.	Testing of motor vehicles and issuing roadworthy certificates completed within one hour.	Testing of motor vehicles and issuing of roadworthy certificates varies but takes at maximum one hour.
Abnormal and heavy vehicle travel demand service.	Road freight, industry, engineers, law enforcement agencies, infrastructure planners, and the general public	One work day permit.	One work day permit.
Road traffic travel demand information service.	Property development industry, infrastructure development industry and public	Survey provincial annual road traffic.	Management of annual provincial road traffic data.

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation

The functions of the department are aligned to the Ten Pillar Programme of Transformation, Modernisation and Re-Industrialisation (TMR) which is supported by the pillars of modernisation of public transport infrastructure, radical economic transformation, which relates to delivery of transformation and modernisation of the public service.

The department plays a key role in the modernisation of public transport infrastructure through the provision of transport infrastructure, transport regulation services and transport-planning services. The department contributes to the Provincial Rural Development Strategy through the construction of the infrastructure for rural roads. It will contribute to the Inner City Renewal Programme through the construction of road linkages, which in turn contribute to the provincial outcome of sustainable human settlements.

National Development Plan

The National Development Plan (NDP) aims to eliminate poverty and reduce inequality by 2030. It provides a broad strategic framework to guide key choices and actions. Government recently adopted an infrastructure plan that is intended to transform the economic landscape of South Africa, create a significant number of new jobs, strengthen the delivery of basic services to the people of South Africa and support the integration of African economies.

In respect of transport priorities, the plan proposes to consolidate and selectively expand transport and logistics infrastructure, with key focus areas being:

- Upgrading the Durban-Gauteng freight corridor, including a new port at the old Durban airport site. (SIP2)
- Public transport infrastructure and systems, including the renewal of the commuter rail fleet, supported by enhanced links with road-based services. (SIP7).

In response to the NDP, the Department of Roads and Transport has developed the 25-year Integrated Transport Master Plan (ITMP25) that provides a framework within which an efficient and integrated transport system for Gauteng can be achieved. The plan has been widely consulted and agreed upon. The plan forms the guiding framework of the Department's 2014-2019 Strategic Plan.

External activities and events relevant to budget decisions

The Gauteng Provincial Government continues to focus on accelerating service delivery. The Province has adopted a Ten Pillar Programme of Radical Transformation, Modernisation, and Reindustrialisation of the province over the next five to fifteen years. This necessitates that the department align to the national and provincial priorities by engaging in projects that support these endeavours. The political landscape within the country necessitates action on the part of the department to deliver quality products and services efficiently and the citizens of the province must realise the impact of the work of the department.

The report on the socio-economic impact of the Gauteng Freeway Improvement Project (GFIP) and E-tolls requires the department to accelerate the construction of new alternative roads as well as to maintain existing ones. This has been incorporated into the 2018 MTEF budget in line with available resources.

Acts, rules and regulations

The legislative mandate for GDRT is derived from Schedules 4 and 5 of the Constitution of South Africa which grants all provinces concurrent competencies. Key legislation and policies to the mandate of the GDRT include:

Key legislation and policies relating to the mandate of the GDRT include:

National Policy and Legislative Mandates

- Legislation Act/Policy;
- National Land Transport Act 5 of 2009;
- Construction Industry Development Board Act 38 of 2000;
- Road Traffic Management Corporation Act 20 of 1999;
- Administrative Adjudication of Road Traffic Offences Act 46 of 1998;
- Cross-Border Road Transport Act 4 of 1998;
- National Road Traffic Act 93 of 1996;
- Environmental Conservation Act 73 of 1989;
- Road Traffic Act 29 of 1989;
- National Road Traffic Safety Act 12 of 1972;
- National Transport Policy White Paper; and
- Creating an Enabling Environment for Reconstruction and Development in the Construction Industry White Paper;

Provincial Policy and Legislative Mandates

- Legislation Act/Policy;
- Gautrain Management Agency Act 5 of 2007;
- Gauteng Planning and Development Act 3 of 2003;
- Gauteng Transport Framework Revision Act 8 of 2002;
- Gauteng Transport Infrastructure Act 8 of 2001;
- Provincial Road Traffic Act 10 of 1997; and
- Gauteng White Paper on Transport Policy White Paper.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

Pillar 8: Modernisation of Public Transport Infrastructure

Output 1: Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of our logistics and transport infrastructure ensured

The department's mandate is the provision of a balanced equitable road and transport network that is accessible, safe, reliable, sustainable, integrated and environmentally sensitive. It must support economic growth and social empowerment. The GDRT is aligned to the Modernisation of Public Transport Pillar of the Province's Transformation, Modernisation and Reindustrialisation (TMR) Programme as it focuses on being a catalyst for socio-economic development through the promotion of accessibility to major economic and social services hubs, creating job opportunities for citizens in the province, supporting smart cities and sustainable human settlements development as well as the reduction in the cost of freight/ goods movements on an improved road network.

The department contributes to this pillar through two key strategic programmatic focus areas. Firstly, through the Road Infrastructure Programme, which focuses on the construction of strategic transport corridors and nodes as well as the maintenance of the provincial road network with the aim of increased safety on roads through improved road infrastructure and reduced commuter times.

Secondly, the Transport Programme, which has an operations and regulatory focus on the provision of subsidised public transport services, the regulation of public and private transport and the improved accessibility to transport regulatory centres, i.e. Driver Licence Testing Centres, (DLTCs) and Transport Operating Licensing Administration boards (TOLABs) which impact on public and private driver safety and reliability.

The continued focus on these key strategic competencies into the MTEF will seek to ensure a provincial transport system that is integrated, seamless and customer centric for the people of Gauteng.

Transport Planning

Gauteng Household Travel Survey (GHTS)

The Gauteng Household Travel Survey (GHTS) provides insight and travel experiences of residents within the province. The survey indicates the community's travel patterns, opinions about public transport and other modes of transport. It provides critical data for future transport planning and highlights the efficiency of the public transport system.

The GHTS also provides a composite and contextual representation of transport patterns in the province and assists both government and transport stakeholders to make the appropriate interventions through proactive planning and allocation of resources to improve the public transport system. Owing to the changing travel demand and trends, a follow-up survey to the 2014 GHTS is therefore essential.

The Project Specific Agreement has been signed by Centre for Scientific and Industrial Research (CSIR) and planning for the Gauteng Household Survey has commenced. A draft project inception report was developed and submitted for consideration and endorsement. Preliminary planning sessions have commenced to help design and refine the draft questionnaire template to be used as an instrument for data collection. A draft survey strategy document has been compiled and planning sessions are continuing.

Gauteng Transport Modelling Centre

The department has identified a tool that is being utilised to meet the growing set of functional requirements needed for transportation system modelling. This is called the Transport Modelling Centre. The tool will provide the transport evidence-based decision-making capabilities which are required to improve the mobility of goods and people in the province. The Transport Model requires updating annually which includes new transport links, traffic information, land use information, demographics and economic data.

Furthermore, effective transport planning focuses on collecting data-centred transport and transport-related information through Gauteng Household Travel Surveys, Integrated Public Transport Network-specific studies undertaken, Integrated Transport Plan (ITP) information received and the Gauteng Freight Databank. The information provides a representation of the current transportation system in Gauteng but the ultimate value is in the ability to model this information to predict future scenarios and prioritise effective planning of infrastructure.

The Project Specific Agreement was signed between the department and CSIR as a continuation to complete data preparation to predict scenarios and priorities in 2018/2019.

Route Determinations

Route Determination focuses on refining and amending routes for the province to ensure that these are aligned to the Gauteng Spatial Development Framework. The department has identified 28 processes and 29 routes over the Medium-Term Expenditure Framework (MTEF) which will be amended to include support for road freight hubs. These routes will provide future support to land-use development, especially the establishment of mega settlements, the aerotropolis and freight hubs.

A task team (the department, OR Tambo International Airport, executives from ACSA, Ekurhuleni Metropolitan Municipality Councillor) was established to guide the execution of the mandate. A draft terms of reference (ToR) has been developed for the OR Tambo International Airport and Aerotropolis Transport Infrastructure Task Team.

The proposal includes the re-alignment of K86 to accommodate the Airport Masterplan. The draft plans for K90 North and South will provide access to the midfield terminal, Route K88, the Gautrain Link, BRT and PRASA plans that are being examined.

The progress for the routes of the following projects is as follows:

- **Project A** (K14 at K177; K203 at K177; K16 between K169 and PWV19; PWV6 at N4) is at 60 per cent;
- **Projects B** (K106 at K175; K109 at K68; K163 between N17 and K136; K175 with quarter link to K173 & K179) is at 46 per cent;
- **Project C** (K156 Extension Westwards; K176 Extension Westwards; K178 Extension Westwards and K213 Extension Southwards) is at 55per cent;
- **Project D** (K9 between K156 and K11; PWV 16 between K211 and K5; PWV8 between K13 and PWV1) is at 46 per cent;
- **Project E** (K17 between K24 and K26; K24, West of K76; K26 between K76 and K17, K76 at and North-West of K197) is at 49 per cent;
- **Project F** (K96 between K197 and K76; K102 between K140 and PWV1); K140 extension west of K102; (K211 between P89-1 and K228) is at 55 per cent;
- **Project G** (K228, West of K76; PWV12A with the extension West of K5 to the provincial border) is at 48 per cent, and
- **Project H** (K83 extension eastwards; K77 realignment of K77) is at 43 per cent.

Integrated Transport Plan (ITP) Support/Evaluation

Every 5 years the metropolitan and district municipalities are obliged to prepare and submit Comprehensive Integrated Transport Plans (CITP) for metros and District Integrated Transport Plans (DITP). The CITPs for City of Tshwane and Ekurhuleni have been approved. The City of Johannesburg have submitted its CITP which is currently under review. Furthermore, the department is assisting the West Rand and Sedibeng District Municipalities with the compilation of their ITPs. The update of the Geographic Information System (GIS) Transport Database is continuing. The second draft reports were completed for West Rand and Sedibeng district municipalities.

Master Plan for Transport Services Centres in Gauteng Province

The department developed a Master Plan for Integrated Transport Services Centres (DLTCs, TOLABS, and VTSs) in the 2017/18 financial year to address challenges in the planning, construction and management of these transport services centres. Phase 1 of the project generated a master plan for Integrated Transport Services Centres (ITSC). The ITSC includes the facilities that combine one or more of the following functions: Driver Licensing and Testing Centres (DLTCs), Motor Vehicle Registration Authorities (MVRAs), Transport Operating Licensing Administrative Boards (TOLABs) and Vehicle Testing Stations (VTS). The master plan recommended design and functional principles for ITSCs and the focus for 2018/2019 is on Phase 2 which entails conducting a feasibility study at a pilot site and carrying out detailed designs for approval.

The project-specific agreement addendum was signed by the CSIR. A draft inception report for the Integrated Transport Services Centres feasibility study, in support of the detail design (Phase 2), was completed in July 2018. A site inspection was conducted and a high-level initial environmental screening and Traffic Impact Assessment process is in progress.

Mapping of Minibus Taxi routes in Gauteng Province

The department, in collaboration with the CSIR, is in the process of collecting geo-referenced data pertaining to minibus taxi routes in Gauteng which will be consolidated into a geo-database linked map for the routes. The consolidated map will enhance the integrated planning process as well as the provincial regulatory function within the province. The mapping will assist in obtaining accurate data and reliable records of minibus taxi routes in the province. The geo-coded database will be of importance in the design of an Integrated Public Transport Network (IPTN) with a defined hierarchy that includes the minibus taxi industry. The engagements with taxi associations are continuing, and the surveys have commenced to update the minibus taxi route database. An inception report has been completed by the Geographic Information System (GIS) specialists.

Trucks Stops Location Study

The study focused on the possible locations of truck stops in Gauteng. This will include key tasks to understand the status of truck stops, current and future needs, as well as the roles and responsibilities of the department, with regards to truck stops. The tender for the appointment of the service provider to conduct the study has been advertised.

Feasibility for BRT Integration between Ekurhuleni and City of Johannesburg

The recent study on “Conceptual Investigation into the Potential Scope for BRT Integration Across Municipalities in Gauteng”, commissioned by the department, indicates that physical integration is feasible between the Ekurhuleni Metro and City of Johannesburg (Tembisa – Ivory Park – Vosloorus – Johannesburg). The City of Ekurhuleni’s BRT service and the City of Johannesburg’s planned North East Quadrant provides opportunity for the province to facilitate a mutually beneficial strategic plan for service integration between the two cities. During 2018/19, the department focused on the feasibility study on BRT interface between Ekurhuleni Metro and City of Johannesburg.

The project-specific agreement was signed in September 2018 and the department has compiled a draft inception report.

Prioritised freight hubs

The key aspects in the modernisation of freight transport in Gauteng is the movement of freight from road to rail which includes the development of major rail-based freight logistics hubs located in the Gauteng City Region (GCR) urban core. Key interventions identified in the road-to-rail strategy include the establishment of the priority freight logistics hubs as part of the broader Durban-Free State-Gauteng (DFSG) Logistics and Freight Corridor Development which is part of the Strategic Infrastructure Projects 2 (SIP2) process. The freight infrastructure enhances the efficient movement of freight, improves economic potential, global competitiveness and creates job opportunities. The department focus on the detailed planning of transport infrastructure required for the prioritised freight hubs, such as Tambo Springs and City Deep.

Tambo Springs

The department conducted a study on the road network. The outcome of the study indicated the existing and future roads require re-alignment, design, Environmental Impact Assessments (EIA), Water Use Licence Application (WULA), widening and construction at different phases of the logistics gateway development. The primary link to the proposed Tambo Springs Logistics Gateway from the N3 includes the planned K148/N3 Interchange. The designs for K148/N3 interchange are complete and the department has received confirmation for the construction budget from Provincial Treasury, to proceed.

City Deep Freight Hub

City Deep is the largest inland trade port in South Africa surrounding approximately 2 000 ha of land. The department, together with City of Johannesburg, has developed the freight and traffic management report for the City Deep Freight Hub. The hub will provide capacity for future freight and public transport traffic volumes.

The Johannesburg Roads Agency (JRA) has put on hold the planning and completion of the following projects owing to the pending upgrades of the M2.

The following projects are continuing:

- Project E: The construction of the Cleveland Road Bridge (JRA);
- Project F: Extension of Houer Road to Vickers Road (JRA) and
- Project G: Construction of ramps on the N17 (SANRAL).

GLI-X Indicator Implementation Pilot Project

The Gauteng, the Cities, Transnet, the National Department of Transport, Academia, other government departments and the private sector collaboratively constructed the Freight Green Logistics indicator (GLIX) System which seeks to improve the movement of freight in Gauteng. This indicator system forms part of a broader set of projects which are stipulated in the Joint Declaration of Intent which was signed by the Gauteng Provincial Government and the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety in February 2016 to improve freight mobility in the province.

Data Collection and Analysis of the Indicator System

Implementation of the phase of the GLIX indicator system is underway. Data collection and analysis of data received for the GLIX indicators are in process. Stakeholder engagements have been held with various freight and logistics industry players for data collection and analysis. The department has conducted data analysis and is drafting a Memorandum of Understanding (MoU) for Transnet Port terminals. Furthermore, the department in collaboration with the Road Freight Association (RFA) will develop freight indicators.

e-Cargo Bike

The department has identified challenges in the freight distribution system through inner-city congestion because of large delivery vehicles. To mitigate the challenge, the e-Cargo bike was introduced to provide new possibilities for the province's congested cities.

The e-Cargo Bike pilot project was launched in Sharpeville and Sedibeng District Municipality on 20 November 2018. The pilot project was in collaboration with multiple industry players such as an Innovation Hub, CSIR, the German Ministry and local Sharpeville Kasi Development Project (SKDP). The SKDP is planning to utilise the e-Bike to deliver goods from the neighbouring shopping centres.

Infrastructure Design

This sub-programme is responsible for road designs to upgrade/maintain provincial roads in Gauteng and to provide a safe and accessible provincial road network as well as the proclamation of provincial road reserves. The 25-year Integrated Transport Master Plan 25 (ITMP25) and Five-Year Gauteng Transport Implementation Plan (GTIP5), which is in line with the Strategic Infrastructure Plans of Government, highlight the critical areas that require immediate intervention towards improvement and designing for road infrastructure. These designs will be executed to implement transport imperatives to achieve an efficient integrated transport system that will unlock and stimulate economic growth in the medium to long term.

Road Designs to be completed in the financial year 2018/19

K97 (P1-3) R101 Phase 2: Upgrading of K97 from N4 Southwards to Wonderboom (K14) (Pyramid Freight hub)

K97 is in the North-South Corridor and links Hammanskraal and Pretoria. The proposed upgraded road will improve accessibility between major economic hubs and the Wonderboom Airport. K97 will generate economic development and socio-economic inclusion in the region. It is utilised by motorists as an alternative route to bypass the N1 Toll Road in accordance with Gauteng Freeway Improvement Plan (GFIP). The planned K97 is a 62 m road reserve single carriage way. The upgrade of the road to a dual carriage way will improve mobility, reduce congestion and travel times. The detail designs for K97 are complete.

P1-1 (R82) from De Deur to Vereeniging: Upgrading of road to a dual carriageway

P1-1 is a North-South Corridor located between Johannesburg and Vereeniging. The strategic transport corridor forms part of the Strategic Road Network and supports the proposed Vaal River City and Savanna City developments between the areas of Vereeniging and Johannesburg. The upgrade of the road to a dual carriage way will improve the mobility, reduce congestion and travel time. The detail designs and Environment Impact Assessment (EIA) for P1-1 are complete. The Water Use Licence Application (WULA) was submitted to the Department of Water and Sanitation for approval.

North Corridor

K16 between Watloo and Mamelodi (Tshwane)

K16 is an east-west route between Watloo and Mamelodi in Tshwane in the Northern Corridor. The road supports the proposed pyramid freight and logistics hub as well as generating economic development and socio-economic inclusion in the region. The road links Eersterus and Watloo in the Pretoria CBD. K16 will be designed as a dual carriageway with provision for walkways, cycle lanes and public transport. The design for K16 is delayed because of the newly constructed link of K69. The department has compiled the bridge report and plans.

Central Corridor**K60 access road to Ivory Park and Tembisa: between K58 (D51) and Chapman Road (K117) and K105 (single carriageway)**

K60, East-West Corridor forms an important link between Kempton Park, Tembisa and Fourways. It is a strategic transport corridor that supports economic development, public transport, re-industrialisation and social cohesion of the TMR. The road connects the economic hubs of Waterfall City and the Johannesburg Municipality, as well as the proposed Aerotropolis in the Ekurhuleni Municipality. The upgrade of the road involves the dualisation of a single carriage way to increase capacity, improve traffic flow and road safety.

The design for K60 is delayed because of under-performance of the service provider. While an extension has been granted to the service provider, the department will instigate penalties against the service provider for under-performance.

K11: Randfontein bypass Mogale City to Western Area from K198 to Mohlakeng

K11 North-South is in Randfontein between Mogale City and Westonaria. It is a new single carriageway road that will reduce traffic congestions and travel time to the major roads around the area including Randfontein City. It is a strategic transport corridor that supports the West Rand Freight Hub.

The K11 design has been delayed owing to under-performance of the service provider. An extension has been granted to the service provider and penalties will be instituted against the service provider for under-performance.

K105 upgrading of dual carriageway from K60 Tembisa to Kempton Park

K105 East-West Corridor, also known as P38-1, will be upgraded to a dual carriageway and is situated in the Ekurhuleni Metropolitan Municipality. The strategic transport corridor forms part of the strategic road network and supports socio-economic development and social cohesion between the areas of Tembisa and Kempton Park. The upgrade of the road to a dual carriage way will improve mobility, accessibility, roads safety and public transport in the region. The design will make provision for the Bus Rapid Transit (BRT) System and Non-Motorised Transport facilities for walking and cycling. An extension has been granted to the service provider owing to the re-routing of the design because of the wetland in the area. The change of scope also includes the route determination of K105.

Southern Corridor**K122 (Eldorado Park) from Klip Valley road (Walter Sisulu Square) to P1-1 (R82)**

The K122 is located between the Golden Highway (P73-1) and R82 (K57). It also forms an important link between the Walter Sisulu Square, Eldorado Park, Naturena and Eikenhof areas. The road will be a single carriage way that will reduce traffic congestion and travel time to the major roads around the area. The preliminary design review for K122 is complete. The detailed design of bridge (K122/N1) will commence once Sanral approves the design.

K170: Interchange and N1 and Golden Highway: Access to Evaton and Sebokeng

K170 is in the East-West Corridor. The road forms part of the strategic road network that supports the proposed Vaal River City. The upgrade of the road involves making a single carriageway into a dual one to increase capacity, improve traffic flow and road safety. It will also promote socio-economic development and social cohesion between the areas of Potchefstroom, Carletonville, Evaton, Sebokeng and Vereeniging. A draft basic planning report addendum is complete. The K170 design has been delayed owing to under-performance of the service provider. Penalties were instituted by the department. The service provider's contract with the department has been terminated.

Southern and Eastern Corridors**Bridge Management System (BMS) Phase 3 (10 bridges)**

The tender process for appointment of the service provider is continuing.

Southern Corridor**R59 Pedestrian Bridge construction**

The tender process for appointment of the service provider is continuing.

Eastern Corridor**PWV15**

PWV 15 is a 35.5km dual carriageway located east of OR Tambo International Airport in the Ekurhuleni Metropolitan Municipality. The road will provide a link between Pomona, OR Tambo International Airport, Green Reef development and Tambo Springs. PWV 15 will reduce congestion from Gildenhuis to Gillooly's. It will also unlock economic opportunities and allow a free flow of freight from the N3 to the N1 freeways. The road design will be completed in 3 phases because of the developments, change in land use, environmental impacts, and the amendment Ekurhuleni Master Plan. The tender process for the appointment of the service provider for the design of PWV15 is on hold owing to on-going litigation. The department is awaiting the court ruling before proceeding with the project.

Construction

The department will be embarking on a number of road rehabilitation - as well as road upgrading - construction projects for the MTEF. In line with the plans of the department, the following projects will be completed in the current financial year. Concurrently, various multi-year projects will be undertaken.

Surfaced Roads Upgraded**Central Corridor****K46 (P79-1): Upgrading from single to dual carriageway of Road K46 (P79-1) William Nicol from PWV5 to Diepsloot/N14 Phase 2**

K46 acts as an access for existing and future developments along the Central Corridor. The road will provide a link between Diepsloot and Johannesburg. The project involves the dualisation of an existing 7.2km single carriageway between PWV5 and Diepsloot. K46 is 58per cent complete and the contract with main contractor has been terminated.

Northern Corridor**K54: Mamelodi (Tsamaya Road) to R104 Pretoria Bronkhorstspuit Road**

K54 is in Mamelodi, Tshwane Metropolitan Municipality and forms part of the Northern Corridor. Tsamaya Road is between R21 and Westrand. Road K54 will be an important new link between Mamelodi and the N4 while also serving traffic from Moloto Road. The project involves the doubling of 9 km of Greenfield for K54 from K22 to K69. The upgrading of the road is delayed owing to community stoppages (community demands for subcontracting work) and illegal dwellings on the road reserve. The contractor is re-enforcing the deck of the underpass and roadbed. K54 is 21 per cent complete.

Northern Corridor**Upgrade of K101 from D795 Olifantsfontein to N1 Brakfontein**

K101 is parallel to N1 between Johannesburg and Pretoria and forms part of the Northern Corridor. K101 will be between Rooihuiskraal (Brakfontein Road) and D795. The road serves as an alternative route for the N1 Toll Road. It also links Johannesburg, Midrand and Pretoria. The project involves the construction of 5.4 km of an existing road and interchange between K27 and K101. The tender process is continuing.

Southern Corridor**Vaal River City Interchange**

The interchange forms part of the Southern Corridor and will serve as a more direct route southward to the Free State (inter-provincial connection) and northwards to Sebokeng. The project involves the upgrading of the Vaal River Interchange, Ascot Ave (future K55) and the Barrage Road (K174) 2km. The tender process is continuing.

K31 access to Green Gate Development: Reconstruction and upgrade of the M5 Beyers Naude Road

K31 forms part of the Central Corridor and is an important provincial arterial linking the Lanseria Airport. The road infrastructure must be upgraded to accommodate the increase in traffic on the road once the Green Gate Development is completed. The Beyers Naude Drive (Provincial road 374) is a single carriage way within the Green Gate Development between Peter Road (D2024) and the N14. The roads will be upgraded to a dual carriageway. Road 374 is also a future K route between Lanseria Airport and the West Rand. The tender process is continuing

Gravel Roads Upgraded to Surfaced Roads**Completing 2018/19****Upgrading of gravel Road D1944**

D1944 is in the North-East Corner of Gauteng where the borders of Gauteng, Limpopo and Mpumalanga intersect. The road forms part of the Northern Corridor and is a tertiary provincial gravel road. The upgrading of D1944 will enable easy access to tourism areas such as Rust der Winter Nature Reserve and the Allemansdrif Dam. The project involves surfacing of D1944 (11.35 km) from gravel to tar road. D1944 has been surfaced and is complete.

Maintenance

The main aims of the unit are to preserve the status of the existing road to its original state, promote road safety and to expand the lifespan of existing road networks. Furthermore, the unit maintains the provincial road network to ensure improved roads safety to be responsive to the needs of roads users and communities by promoting accessibility. The programmes implemented within this unit run across all the development corridors.

The completed projects in the 2018/19 financial year include the continuous maintenance of provincial roads network through:

Northern Corridor

P249/1 Phase 2: Rehabilitation of P249/1 (R511) in Pretoria Region to Gauteng/North West Border

P249/1 entails the rehabilitation of 8.69 km of a single carriageway located within the residential, industrial and agricultural areas of Pretoria. The road forms part of the Northern Corridor. It is also a link between Midrand and the North West Province and serves as a distributor for the rural areas. The road is utilised by trucks travelling to the Hartbeespoort area. The road will be completed in the financial year 2018/19. P249/1 has been surfaced and is complete.

Western Corridor

Rehabilitation of P88/1 between P73/1 and P3/6

P88/1 is an arterial road providing an alternative to Johannesburg for the traffic travelling from the South to the North West Province. The road is in the south west of Johannesburg, between Sebokeng and Westonaria, forming part of the Western Corridor. P88/1 is an alternative road to the N1 connecting Evaton, Sebokeng, Westonaria, Randfontein and Pretoria. The road is utilised by heavy vehicles for the mining and industrial activities in the Randfontein and Krugersdorp areas. The road has deteriorated and requires structural strengthening. The project entails the rehabilitation of 29.3 km of single carriageway road. P88/1 will be completed in the financial year 2018/19. The road is 94 per cent complete and 20 kms has been surfaced.

Rehabilitation of D1884 between D478 and P243/1

D1884 is an undivided two-lane secondary road which links road D478 (North) and P243/1 (South).

The project involves the rehabilitation of 6.68 km of the road between road D478 and P243/1. The road serves as the only access road to the grain silos (situated at 1.7 km) for storage of farm produce from the Heidelberg West agricultural area. The rehabilitation will improve access to markets and decrease transportation costs. D1884 has been surfaced and is 97 per cent complete.

Central Corridor

P158/2 (N14) Phase 2: Rehabilitation of P158 (N14) from Brakfontein to Diepsloot

The road commences in Brakfontein Interchange and runs to Diepsloot which forms part of the Central Corridor. The project entails the rehabilitation of 20.7 km of P158/2 (N14). P158/2 serves as a transport corridor between the City of Tshwane, the northern suburbs of Johannesburg and Krugersdorp. The implementation of the project will improve the roads' life cycle by a further 15 years and create job opportunities, provide skills training and development for the community and uplift the small emerging contractors. P158/2 is 71 per cent complete. The contractor is working on the following layerworks at the Rooihuiskraal and Diepsloot interchanges, Overlay (SMA), Guardrails and the preparation of the new traffic lights at the R511 and R114 intersection.

Southern Corridor

Light Rehabilitation of Road P243/1 Section 2 from Vereeniging (9.0km) to Balfour (18.13km) Approximately 9.13km

P243/1 is in Midvaal Municipality in the Southern Corridor. The project is a single lane carriageway rural road and is classified as a strategic category C road. The existing road cross-section comprises two surfaced lanes of about 3.6 m in width and 2 .5m-wide gravel shoulders on either side of the road. The road traverses rural terrain. A single major crossing with the R549 and several formal and informal accesses the P243. P243/1 is complete.

Sebokeng DLTC

A DLTC is under construction in the Sebokeng Township located in the Southern Corridor. The centre will improve the accessibility to licence services for the community. All major items have been completed such as concrete columns and slabs, installation of roof trusses, roof sheeting, brickwork and plastering . The following items have commenced and are ongoing: laying of paving bricks, kerbs, mechanical and electrical, plumbing and tiling. The overall progress of the DLTC is 79 per cent complete. The project is experiencing delays owing to the sub-contractor removing electrical and mechanical components which were completed and has logged a dispute with the consultant and the implementing agent (GDID) against the issued negative certificate.

Public Transport Services

Bus Subsidy Monitoring

The Division of Revenue Act (DoRA) requires that all 33 bus contracts must to be monitored in order to ensure that bus subsidy contract complies with applicable legislation. Thirty-three bus subsidy contracts are manually monitored by both internal personnel and external Supervisory Monitoring Firms (SMFs).

The Department of Transport has identified the introduction of Automated/Electronic Bus Monitoring System as a strategic move to support the modernisation of public transport. The project will improve the administration of bus operators, minimise human-related errors and improve the correctness of subsidies payable to bus operators. The department has finalised its business case for submission to Provincial Treasury for funding purposes. The project was envisaged to be rolled out and completed during the financial year 2018/19, however there were delays that will result in the project being expected for completion in 2019/20.

Furthermore, the introduction of Automated and Electronic Bus Monitoring System will enhance the department's ability to improve service delivery by building a web and mobile-enabled interaction capability between the commuters, the bus operators and the department. The system, which is envisaged to be developed in 2018/19, will also minimise the use of Supervisory Monitoring Firms (SMFs) as consultants.

The Supervisory Monitoring Firms (SMFs) contracts, which were extended for a period of four months (1 April – 31 July 2018), expired and no further extension was granted. All the 34 subsidies bus contracts are monitored by internal public transport operations employees during the period of appointing the SMFs contract.

Intermodal facilities infrastructure

The Vereeniging Intermodal Facility project is part of the PRASA Corridor Modernisation Programme. The department entered into an agreement with PRASA and Sedibeng District Municipality towards the development of the station precinct. The project entailed the upgrading of Vereeniging Station into a modern integrated facility. The project is at 83 per cent complete, i.e. Rank C (waiting area and structural steel work).

Integrated Fare Management

The IFM is a Deliverology Project that seeks to achieve the ITMP25 key initiative of a 'One Province One ticket' outcome. The first phase of the project has been completed with the pilot project being undertaken with Gautrain and the existing BRT systems. Major funding is required to facilitate the completion of the project. Budget allocations to this project will see an increase over the MTEF as the full integration between existing modes of public transport e-ticketing is undertaken together with the establishment of a transport management centre. These initiatives will enable commuters to complete total trip planning and be informed of next arrival for bus and railway (scheduled). They will also see a reduction in transport costs through discounted pricing based on the number of modes used at the end of the trip. In the 2018/19 financial year, the IFM programme will continue to deliver exciting benefits to Gauteng commuters, including the single ticket which will enable commuters to travel with credit and commuter cards on all scheduled public transport that has automated fare collection systems. In addition to this, the IFM programme will deliver a Traffic Management Centre (TMC) that will bring a human touch to the connectivity and engagement with commuters so that it is possible to monitor and enable better management of public transport in our province.

The department decided to utilise the Derek Masoek Building as interim TMC which will be converted into a full TMC or disaster recovery site. This building needs to be renovated and preliminary plans were developed.

Pillar 5: Modernisation of Public Service

The department contributes to the pillar through its corporate services and finance programmes. The objective of these programmes is to ensure an efficient and effective administration based upon good governance practices supported by capacitated human resources.

Bursary Programme

In order to build the capacity for good governance and effective service delivery, the department offers bursaries to external candidates in a range of disciplines including transport engineering and economics as well as civil and other fields of engineering. The allocations for new bursaries have been reduced in the current financial year owing to fiscal constraints. The department is only maintaining the bursaries that were allocated in previous financial years. The bursary recipients are required to offer their services to the department after completion of their studies and further increase capacity within the department.

In relation to employees, there are funds allocated for training and development. These are both administrative government-specific training as well as job-specific training.

Electronic Document Records Management System (e-DRMS).

The department has been implementing the electronic and Records Management System (e-DRMS) that commenced in February 2017 and is proceeding in the financial year, 2018/19, with 17 scanning electronic document and records management processes mapped. A total of four processes for Revenue Information Management Systems and 13 processes for Motor Vehicle Driver and Licences were mapped.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

The projects that the department will implement are aligned to the national and provincial priorities as outlined below.

PILLAR 8: Modernisation of Public Transport Infrastructure

Output 1: Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of our logistics and transport infrastructure ensured

Infrastructure planning

Gauteng Household Travel Survey

Review of the 25-Year Integrated Transport Master Plan (ITMP25) & Provincial Land Transport Framework (PLTF) 2020 – 2024

The Gauteng Integrated Transport Master Plan (ITMP25) dated 2013 is in the process of being reviewed owing to the Gautrain Extension Study (Gautrain II) that needs to be included as well as the latest Gauteng Household Travel Survey Data. Consequently, the provincial wide transport model needs to be updated to support any transport study that are being conducted.

The review will also include a new chapter on the Fourth Industrial Revolution (e.g. electric cars, driverless cars and the joint use of cars). An update and revision of all the chapters of the original report, thus on all modes of transport, are required. The re-write of the chapter on governance of public transport in Gauteng will support the establishment of a transport authority for the Gauteng Global City Region.

A five-year plan is required for the short-term planning and implementation of transport initiatives in the province and therefore a revision of the original Gauteng Five-Year Transport Implementation Plan (GTIP5) will be completed. However, it will be in the legislated required format of the of the Provincial Land Transport Framework (PLTF) for 2020 – 2024. The PLTF will serve as a guide and align to Integrated Transport Plans (ITPs) with an agreed date set for completion and handover to the department for evaluation and recommendation.

Although the Gautrain Management Authority (GMA) will lead the ITMP25 review process, the department will contribute from a transport planning integration perspective to ensure that all provincial and municipal transport planning initiatives are captured in the update of the PLTF as far as possible. The ITMP25 review and PLTF 2020 – 2024 will be completed in the financial year 2019/20.

Gauteng Household Travel Survey (GHTS)

Gauteng Household Travel Survey (GHTS) provides insight and travel experiences of residents within the province. The survey indicates travel patterns, opinions about public transport and other modes of transport by the community. It further provides critical data for future transport planning and highlights the efficiency of public transport system including areas of improvement.

GHTS provides a composite and contextual representation of transport patterns in the province and will assist government and transport stakeholders to make appropriate interventions through proactive planning and allocation of resources to improve the public transport system.

The survey examines the provincial travel patterns in the specific provincial regions. The information obtained from the survey is a vital component in planning of the province's transportation infrastructure and is also valuable in optimising existing operations. The survey is essential in understanding travel modes of different market segments to measure accessibility of public transport facilities and private motor vehicles. Gauteng Household Travel Survey has commenced in 2018/19 and will be completed in the financial year 2019/20.

Gauteng Transport Modelling Centre

The department has identified a tool that is being utilised to meet the growing set of functional requirements needed for transportation system modelling. This tool is called the Transport Modelling Centre and will provide the transport evidence-based decision-making capabilities which are required to improve the mobility of goods and people in the province. The transport model requires updating annually which includes new transport links, traffic information, land-use information, demographics and economic data.

Furthermore, effective transport planning focuses on collecting data-centred transport and transport-related information through Gauteng Household Travel Surveys, Integrated Public Transport Network-specific studies undertaken, Integrated Transport Plan (ITP) information received and Gauteng Freight Databank. The information provides a representation of the current transportation system in Gauteng; however, the ultimate value is in the ability to model this information to predict future scenarios and to prioritise effective planning of infrastructure. The functionality of the Gauteng Transport Modelling Centre will continue in the financial year 2019/20.

Route Determinations

The Gauteng road network is the most important infrastructure asset in the province that underpins and supports local economic growth which results in job opportunities within the identified corridors (inclusive of freight corridors supporting freight hubs) and nodes.

Route determination focuses on refining and amending routes for the province to ensure alignment to the Gauteng Spatial Development Framework. The department is in process with the identified 29 routes over the Medium-Term Expenditure Framework (MTEF) to be amended to include support for road freight hubs. These routes will provide future support to land-use development especially the establishment of mega settlements, the OR Tambo International Airport (ORTIA), Aerotropolis and Freight Hubs. The route determination processes will continue in the financial year 2019/20.

Integrated Transport Service Centre Detailed Design for Gauteng Province

The department has developed a Master Plan for Integrated Transport Services Centre (DLTCs, TOLABS, and VTSs) to address challenges in the planning, construction and management of transport services centres. ITSC includes the facilities that combine one or more of the following functions: Driver Licensing and Testing Centres (DLTCs), Motor Vehicle Registration Authorities (MVRAs), Transport Operating Licensing Administrative Boards (TOLABs) and Vehicle Testing Stations (VTS). The master plan recommends functional principles for ITSCs. The department is conducting a feasibility study at a pilot site which will be completed in the 2019/20 financial year.

Feasibility for BRT Integration between Ekurhuleni and City of Johannesburg

The recent study on “Conceptual Investigation into the Potential Scope for BRT Integration Across Municipalities in Gauteng”, commissioned by the department, indicates that physical integration is feasible between Ekurhuleni Metro, City of Johannesburg (Tembisa – Ivory Park – Vosloorus – Johannesburg), Ekurhuleni’s BRT service and Johannesburg’s planned North East Quadrant. The study further provides an immediate opportunity for the province to facilitate a mutually beneficial strategic plan for service integration between the two cities. The project will be completed in the financial year 2019/20.

Trucks Stops Location Study

The department is in the process of developing Terms of Reference (ToR) for the feasibility of Truck Stops in the province. The study will include key tasks to understand the status of truck stops, current and future needs, roles and responsibilities of the department. The study commenced in the 2018/19 financial year and will be completed in the financial year 2019/20.

Review of Non-Motorised Transport (NMT) Policy

The 2014 Gauteng Household Travel Survey identifies walking as the predominant mode of travel in the province. An overall framework policy was utilised to guide the planning, design and implementation of NMT facilities and infrastructure. The provision of NMT facilities and infrastructure will improve mobility. The review of NMT Policy is required to make provision for universal access and the NMT feasibility study. In the financial year, 2019/20 the alignment of the draft policy with the NMT Master plan will commence.

Prioritised freight hubs

The key aspects in the modernisation of freight transport in Gauteng is the movement of freight from road to rail which includes the development of major rail-based freight logistics hubs located in the Gauteng City Region (GCR) urban core. Key interventions identified in the road-to-rail strategy include the establishment of the priority freight logistics hubs as part of the broader Durban-Free State-Gauteng (DFSG) Logistics and Freight Corridor Development which is part of the Strategic Infrastructure Projects 2 (SIP2) process. The freight infrastructure enhances the efficient movement of freight, improves economic potential, global competitiveness and creates job opportunities. The department will focus on the detailed planning of transport infrastructure required for the prioritised freight hubs, such as Tambo Springs and City Deep.

Tambo Springs

In support of the Tambo Springs Logistics Gateway, the department conducted a study on the surrounding road network. The outcome of the study indicated the existing and future roads which require re-alignment, design, Environmental Impact Assessments (EIA), Water Use Licence Application (WULA), widening and construction at different phases of the logistics gateway development.

The primary link to the proposed Tambo Springs Logistics Gateway from the N3 includes the planned K148/N3 Interchange. The proposed K148/N3 Detail Design Stage was completed and construction will commence in the financial year 2019/20.

City Deep Freight Hub

City Deep is the largest inland trade port in South Africa surrounding approximately 2 000 ha of land. The project entails upgrades and construction of various roads forming a network near City Deep to enable efficient accessibility and mobility of heavy road freight goods vehicles in and around City Deep.

The following projects to continue in 2019/2020 are:

- Project E: The construction of the Cleveland Road Bridge (JRA);
- Project F: Extension of Houer Road to Vickers Road (JRA) and
- Project G: Construction of ramps on the N17 (SANRAL).

The department, together with City of Johannesburg, has developed the freight and traffic management report for the City Deep Freight Hub. The hub will provide capacity for future freight and public transport traffic volumes.

SUB PROGRAMME: INFRASTRUCTURE DESIGN

Road Designs to be completed in the financial year 2019/20

Eastern/Southern Corridors

Bridge Management System; BMS 3 (10 bridges)

The road infrastructure comprises several components such as bridges over rivers and other structures. Due to continuous traffic impacting on such structures, the condition of bridges deteriorates over time and requires rehabilitation to ensure safety standards are maintained. The five identified bridges in the Vereeniging region will improve safety and support strategic economic development projects like the Vaal River City. The five identified bridges in the Benoni region will improve safety and support strategic economic development projects like the Aerotropolis and Tambo Springs Freight Hub. In the financial 2019/20 the department will focus on the designs for the identified bridges for repairs and maintenance.

New pedestrian bridge construction

The new bridge design - R59 Pedestrian Bridge construction (Ntirhisano Project). The project is initiated to improve pedestrian safety on the R59 freeway around the area of De Deur.

Traffic engineering

The department will be implementing the following major traffic and freight monitoring projects in 2019/20.

Improve efficient Freight Movement System:

The department has procured automated weigh-in-motion devices, with speed prosecution capabilities, which - going forward - will be utilised to monitor driver behaviour on roads and assist with prosecution.

Alternative Supply of Power to Traffic Control Instruments

The department commenced with a research alternative supply of power to traffic control instruments due to a rise in theft and vandalism of traffic-control devices. The research, being finished in 2019/20, will help to identify interventions to ensure that there is minimum interruption of signal operation during rainy seasons, power outages, during theft and vandalism. The outcome of this programme is less congestion and improvement of road safety.

Intelligent Transport System (ITS)

Congestion management, traffic condition information and reduction of travel time are key tributaries to road safety. Safe and efficient road use must be supported by technology with the following capabilities:

- Observation and prediction of traffic conditions;
- Early identification of road incidents and rapid response thereto;
- Communication with road users to allow for trip planning and ease of congestion;
- Reduction of travel time, cost of traveling and loss of revenue due to crashes; and

- Adequate support to Law Enforcement activities on roads, thus reducing criminal activities.

The Intelligent Transport System (ITS) is an advanced application aimed at providing innovative services relating to different modes of transport and traffic management to assist various users in making safer, more coordinated, and 'smarter' use of transport networks. In line with the provincial goal of the modernisation of public transport in Gauteng, it is envisaged that the department will commence with the implementation of the ITS programme in 2019/20 and is currently in the process of modifying the ITS application which will include historical storage of usable data to provide policy makers with road safety statistics.

The first site of implementation is the P206/1 (M1 between the Buccleuch Interchange and Corlett Drive). Implementation of the ITS programme on this section of the freeway will establish a seamless link with the South African National Roads Agency's (Sanral) Freeway Intelligent System on the N1 Highway from Pretoria to Johannesburg.

Implementation will focus on the following:

- Designing and installing ITS Freeway Management Hardware System with the following functional capabilities;
- Road Network Surveillance;
- Incident prediction and communication between operators, emergency services, law enforcement agencies and general public; and
- Scheduled deployment of personnel and services to incident sites.

The system will also be able to monitor and manage freight movement on the road network and provide technological support to overload control, abnormal loads management and law enforcement. Inclusive of other benefits, the ITS programme will contribute to the development of economic sectors involved with transportation of people, goods and services such as manufacturing, information and communication technology.

Construction

Surfaced Roads Upgraded

The following road upgrade will be completed in the financial year 2019/20.

Completing 2020/21

Northern corridor

K54: Mamelodi (Tsamaya Road) to R104 Pretoria Bronkhorstspuit Road

K54 is in Mamelodi, Tshwane Metropolitan Municipality. The project involves the dualisation of 9kms of green field from K22 to K69. This road will be an important link between Mamelodi, Moloto Road and the N4. The road entails the construction of several structures, including a bridge over rail and will serve as a major collector. The project will also include upgrading of access roads located along the road K54.

Completing 2021/22

The following multi-year strategic road construction projects will be constructed over the MTEF and completed in 2021.

Eastern Corridor

Upgrading of Road K148: Intersection with N3

K148 forms part of the Eastern Corridor and links the terminal's access roads with the K148/N3 Interchange. The proposed K148/N3 and Barry Marais Interchange will require widening. The road is a link to the proposed Tambo Springs Logistics Gateway from the N3 and is the planned K148/N3 Interchange which will be required for the freight hub to function efficiently.

The construction of the interchange will improve mobility and accessibility to the developments in the surrounding areas of Zonkiziwe, Magagula Heights, Katlehong and Vosloorus. The upgrading of the interchange K148/N3 will accommodate an increased traffic flow and support the SIP2 Development Corridor between KwaZulu-Natal (KZN) and Gauteng. The K148 intersects the N3, Heidelberg and forms part of the strategic road network supporting the Tambo Springs Freight Hub in an east/west direction.

Northern corridor

K69 (Upgrading and doubling of Hans Strijdom (Solomon Mahlangu) from the N4 to Mamelodi to K54)

The K69 connects Pretoria East and Mamelodi. The project involves the doubling of 9 km of an existing single carriageway. K69 will increase capacity, safety and accessibility for existing and future developments.

Upgrade of K101 from D795 Olifantsfontein to N1 Brakfontein

The project involves the construction of 5.4 km of an existing road and the interchange between K27 and K101. The road is parallel to the N1 toll road between Johannesburg and Pretoria. It also serves as an alternative route for the N1 toll road. The

K101 will be between Rooihuiskraal (Brakfontein Road) and D795. The construction of the road will alleviate traffic congestion during peak hours in the Midrand area around the Waterfall development.

Southern Corridor

Vaal River City Interchange

The Vaal River City Interchange will serve as a route to the Free State (South), (inter provincial connection) and Sebokeng (North). The project involves the upgrading of 2 km in the Vaal River Interchange, Ascot Ave (future K55) and the Barrage Road (K174). The implementation of the project will create job opportunities for the community, provide skills training and development as well as develop the small emerging contractors within the areas.

Central Corridor

K46 (P79 - 1): Upgrading from single to dual carriageway of Road K46 (P79 - 1) William Nicol from PWV5 to Diepsloot /N14 Phase 2

The upgrading of K46 comprises of the dualisation of 7.2kms single carriageway between PWV5 and Diepsloot. The road will provide a link between Diepsloot and Johannesburg. It will also act as an access for developments along the Central Corridor (Lanseria, Fourways, Hartbeespoort Dam and Sandton). Furthermore, the road will improve accessibility to surrounding areas (Diepsloot, Fourways and Randburg).

K31 access to Green Gate Development: Reconstruction and upgrade of the M5 Beyers Naude Drive

K31 will be upgraded from a single to a 2.3 km-dual carriageway to accommodate the increase in traffic. The road will provide access to the new Green Gate Development.

Upgrading of K73 between Woodmead Drive and Allandale Road (D58) Mushroom Farm

The K73 project involves the upgrading and construction of the link between Allandale Road and the R55/Allandale. The road will provide access to Mushroom Farm and alleviate congestion on the R55/Allandale Intersection. The upgrade will also assist the industry of the north of Johannesburg to access Lanseria airport. A total of 5.1 km of road will be upgraded to accommodate the increase in traffic.

Southern Corridor

R82 phase 3 (between D1073 (Walkerville) and K164 (De Deur))

The road forms part of the Southern Corridor and the Maize Belt. The project involves the dualisation of R82 Phase 3 (11.3 km) between road D1073 and K164. The project will provide an alternative link between Johannesburg and Vereeniging, including access to existing and future developments in Walkerville, Eikenhoff and De Deur. The implementation of the project will enhance economic development, create job opportunities for the community, provide skills training and development as well as develop small emerging contractors within the areas.

The following multi-year strategic road construction projects will be constructed over the MTEF and completed in 2023 -2025.

Central and Eastern Corridors

K60 Waterfall City: Construction of new link between R55 Woodmead Drive and Allandale Road

The K60 (Waterfall City) Road is a link between Tembisa and the Fourways area. The upgrade involves the construction of a new strategic transport corridor link between R55 and Allandale Road. The road will be a future contributor towards the economic development in the Central Corridor. It further serves as an alternative route from Tembisa to Paulshof while alleviating traffic off the N1 North and K58/N1 Interchange. The construction will also include a new signature bridge (N1 freeway) at Waterfall City. A total of 7km of road will be constructed.

Northern Corridor

Upgrade of K101 from D795 Olifantsfontein to N1 Brakfontein

The project involves the construction of 5.4 km of an existing road and the interchange between K27 and K101. The road is parallel to the N1 toll road between Johannesburg and Pretoria. It also serves as an alternative route for the N1 toll road. The K101 will be between Rooihuiskraal (Brakfontein Road) and D795. The construction of the road will alleviate traffic congestion during peak hours in the Midrand area around the Waterfall development.

Northern Corridor

K14 between Cullinan and Rayton Road (D483)

K14 is located on the R513 South of Cullinan, approximately 25 km east of the Sefako Makgatho Drive Off-Ramp from the N1. The project entails the construction of a section of K14 (1.76 km), the rehabilitation of a short section (0.57 km) and the re-alignment of a section of Zonderwater Road (0.32 km). The works will include the construction of a rail-over-road bridge.

Southern Corridor**R82 phase 3 (between D1073 (Walkerville) and K164 (De Deur))**

The road forms part of the Southern Corridor and the Maize Belt. The project involves the dualisation of R82 Phase 3 (11.3 km) between road D1073 and K164. The project will provide an alternative link between Johannesburg and Vereeniging, including access to existing and future developments in Walkerville, Eikenhoff and De Deur. The implementation of the project will enhance economic development, create job opportunities for the community, provide skills training and development as well as develop small emerging contractors within the areas.

Central Corridor**K15 Phase 3: Upgrading of K15 Adcock Road between K102 Main Street Dobsonville to Wild Chestnut Street Protea Glen**

The project involves the dualisation of road K15 (R558) Adcock Road between road K102 at Lufhereng and Wild Chestnut Street in Protea Glen. The road forms part of the Central Corridor. The project is located on the western fringe of Soweto and Road K15 forms a strategic north/south link between Mogale City in the north and Lenasia in the south. Road K15 is an important through route from Johannesburg and the West Rand, to the North West Province. It also serves as a collector/distributor for the residential areas surrounding the route such as Protea Glen, Lufhereng and the townships around Leratong Hospital.

- PWV 15 Phase 1: Construction of a new road between R21 and N3 and detail design and land acquisition between N17 and N3.
- Construction of New K56 between K46 (William Nicol Drive) and P79/1 (Main RD) as well as the extension of Erling Road.

Road Rehabilitation

The following road rehabilitation projects will be undertaken.

Multi-year projects (2019 – 2022)**Completing in 2019/20****Central Corridor****P158/2 (N14) Phase 2: Rehabilitation of P158 (N14) from Brakfontein to Diepsloot**

The project entails the rehabilitation of 20.7 km of P158/2 (N14). P158/2 serves as a transport corridor between the City of Tshwane as well as the northern suburbs of Johannesburg and Krugersdorp. The road commences in Brakfontein Interchange to Diepsloot which forms part of the Central Corridor. The road will be completed in the financial year 2019/20.

Completing in 2020/21**Southern Corridor****P175/1: Rehabilitation from Vanderbijlpark to Potchefstroom - Phase 2**

The road is in Johannesburg (South) and is a major route from the Vereeniging region towards the North West Province. The road involves the rehabilitation of 11.8 km of road P175/1 from Vanderbijlpark to Potchefstroom and serves as a distributor for the rural towns. The rehabilitation of P175/1 will commence in road P156/3 to Gauteng/North West Boundary (Vanderbijlpark to Potchefstroom).

P156/3(R42) from P155/1 to D2563 Vanderbijlpark

The P156/3 rehabilitation project, located in Vanderbijlpark, Emfuleni Local Municipality, involves the rehabilitation of 5.8 km of road P156/3 with the aim of enhancing the current economic activities in Vereeniging and Vanderbijlpark. The rehabilitation of P156/3 will also include the construction of sidewalks.

Completing in 2021/22**Central Corridor****Rehabilitation of Roads P241/1 (R554) from 15.7 km to 19.75 km and road D405 (R554) from 0.00 km to 8.75 km (R82)**

Road P241/1 serves as one of two main link roads between Johannesburg and Lenasia. The section of road commences at roads P1/1 (R82) intersection and ends at the municipal boundary (M10 in Lenasia). P241/1 (R554) is a pavement rehabilitation project and gravel shoulders will be re-gravelled.

39/1 Heavy Rehabilitation from Diepsloot to Muldersdrift

The project involves rehabilitation of 14.45 km of road P39/1 between Diepsloot and Muldersdrift in the West Rand. The rehabilitation of road P39/1 will increase structural capacity and safety on the road through the reconstruction of the gravel shoulders. The road will be completed in the financial year 2020/21

Northern Corridor**Rehabilitation of P122/1 from P36/1 (R10) (Solomon Mahlangu Drive Olifantsfontein)**

The project involves the rehabilitation of 9.4kms of road P122/1 located in Tshwane. The road is a major route from P36/1(R10) (Solomon Mahlangu Drive) to Olifantsfontein, P122/1. The initial subgrade will be removed and re-compacted.

K175: Rehabilitation of the Road from N4/2 to D670 (8.1km)

The road is in the north-eastern section of Gauteng next to Bronkhorstspruit and is identified as a rural major arterial road. It serves as a collector/distributor for the residential and farm areas surrounding the route. The existing intersection will be widened and surfaced on the shoulders.

Western and Central Corridors:**Rehabilitation of road P126/1 between Ontdekkers Road and P16/1 Tarlton**

The main objective is to rehabilitate and resurface provincial route P126/1 between Ontdekkers Road and P16-1 Tarlton, by undertaking various pavement rehabilitation and surface treatment measures to sustain the service life of the pavement for approximately 10 years. The road carries high volumes of traffic with several signalised intersections. The project, which will be completed in the financial year 2020/21, includes 25 formal intersections between Ontdekkers Road and the N14 intersections and 15 formal intersections between the N14 intersection and the R24 Tarlton Road. The road forms part of the Western Corridor and will be completed in the financial year 2021/22.

Rehabilitation of road P103/1 between N14 and N1

The project entails the rehabilitation of road P103-1 and is located between N1 and the N14 in North Riding, north west of Johannesburg. The dual carriageway road commences at Malibongwe Drive. Road P103/1 is a dual carriageway that links the N1 to the N14. The road will be completed in the financial year 2021/22.

Northern Corridor**Rehabilitation of road D483 between P6-1 (Bapsfontein) and D713 Cullinan**

D483 entails the rehabilitation of a single carriageway with gravel shoulders. It is located between P6-1 (Bapsfontein) and D713 (Cullinan). The road forms part of the Northern Corridor and will be completed in the financial year 2021/22.

Maintenance

The maintenance activities are performed throughout the province and are not necessarily split per corridor. The overall targets for each of the activities that the department plans to deliver during the 2019/20 financial year are as follows:

Performance indicator	Planned target
Reseal	96, 000m ²
Re-gravelling	76.01km
Blacktop patching	66, 000.00m ²
Blading of gravel roads	1, 309.69km
Job creation	3, 750

A further breakdown of the maintenance activities is as follows:

- Pavement layers' repairs;
- Crack sealing and patching of asphalt pavements;
- Repair of slope failures and wash-always;
- Stabilization of slopes;
- Construction of drainage works to combat erosion;
- Cleaning of all drainage structures, removal of grass and debris from grids, as well as clearing bridge drainage ports and scuppers;
- Repairing damaged fencing;
- Clearing refuse from the road reserve, lay-byes and interchanges;
- Repairing damaged road signs;
- Installation and replacement of road studs;
- Repairing damaged guardrails;
- Regular mowing of grass in the road reserve including the median and the removal of grass cuttings;
- Application of herbicide on road edges and around road signs;
- Eradication of weeds and undesirable plant growth;
- Burning or cutting of firebreaks and assistance with veld fires;

- Maintenance of trees and shrubs;
- Supply and spreading of topsoil;
- Emergency assistance; and
- Removal of spillage, wrecks, debris and abandoned vehicles.

In continuation of promoting road safety, the department will replace the guard rails, roads sign, repainting of roads marking, replacing of manholes and concrete related structures. In total, the department plans to create up to 3, 750 EPWP jobs, which will assist the Department immensely in the increase of the EPWP Incentive Grant.

As part of its modernisation strategy and in pursuance of the department's objective of preserving the status of the provincial network, the department is in the process of implementing a new application relating to public participation as part of promotion of the road safety. The application implementation is one of the flagship projects of the premier relating to the Deliverology Programme. The Pothole App will enable the public to report all concerns relating to roads infrastructure and roads furniture such potholes, roads sign and guardrails. The application will ensure the department is able to respond to reported problems in 72 hours and will be implemented during 2019/20.

Public Transport Services

Bus subsidy contracts

The Division of Revenue Act (DORA) requires that all 34 bus contracts be monitored to ensure that bus subsidy contract comply with applicable legislation. Thirty-four bus subsidy contracts are manually monitored by both internal personnel and external Supervisory Monitoring Firms (SMFs). The department has received approval from Provincial Treasury to advertise the tender for SMFs. The tender appeared in the bulletin on 23 November 2018. Currently all contracts (four in Ekurhuleni and 1 in Sedibeng) are monitored by departmental internal monitors.

The following activities for 2019/20 will take place:

- The SMFs contracts which were extended for a period of 4 months as from the 1st April 2018 expired on the 31st July 2018 and no further extension was granted by the Bid Adjudication Committee.
- All the 30 subsidized bus contracts will be monitored by internal PTO staff for a period within which PTO and the departmental supply chain will be undertaking the process to introduce new SMFs contracts.

Electronic Monitoring System

The tender, which was published on 23 November 2018 for new Supervisory Monitoring Firms, closed on 22 January 2019. The term of the contract will be 36 months and it includes electronic monitoring system to introduce 100 per cent monitoring to address the gap that the Auditor General identified during audit of previous years' performance information. Provincial Treasury and the department's budget section has not confirmed the allocation funds for electronic monitoring systems.

The department has identified the introduction of an automated/electronic bus monitoring system as a requirement to support the modernisation of public transport. The system will improve administration of bus operators and minimisation of human related errors and improving correctness of subsidies payable to bus operators.

Integrated Fare Management

Transport Management Centre (TMC)

The Integrated Strategic Vision for Gauteng is to provide the entire population with a safe, reliable, affordable, convenient, cost-effective, and environment-friendly transport system in support of strategies for socio-economic development.

As part of the Integrated Fare Management Project (One Province One Ticket), the Traffic Management Centre (TMC) is the focal point for communicating transport-related information to the media and the motoring public, a place where agencies can coordinate their response to transport situations and conditions. The establishment of a TMC will typically take about three to five years and a great deal depends on the amount of infrastructure development required.

The objective of the Transport Management Centre is to reduce transportation problems by either controlling the circulation of all modes of transport or focusing on specific modes such as public transport. The Transport Management Centre maximises the effectiveness use of existing infrastructure, ensures reliable and safe operation of transport, addresses environmental goals and ensures the fair allocation of infrastructure space (road space, rail slots, etc.) among competing users.

The critical success factors for Transport Management Centre are as follows:

- Availability of Funding (Set up, Operations and Maintenance);
- Policy and procedure development and approvals;
- General traffic flow data; and
- System interfaces.

The Transport Management Centre (TMC) facility is the focal point for agency operations, houses the central system hardware and software, including operators and maintenance personnel. It follows policies, procedures and carries out internal agency coordination. Thus, the TMC is the state-of-the-art transport operations room from which all monitoring, reporting and control functions are carried out. The TMC scope, therefore, includes temporary traffic control measures, devices, public information, outreach, and operational strategies such as travel demand management, signals re-timing, and traffic incident management.

The operators will monitor a closed-circuit television (CCTV) system and alert the proper authorities and approaching drivers - via Dynamic Message Signs (DMS) or a website - about problem areas, reducing crashes and saving drivers time, money, and wasted fuel. Representatives of law enforcement, fire and Emergency Management Services (EMS), and local transit agencies are often co-located at TMCs to improve multi-agency response. TMC is used to monitor the freeway and arterial network as well as transit of almost all urban areas.

The following outlines the issues and risks for the Transport Management Centre and Intelligent Transport System:

- Proper training of all operators and continuous refreshment courses;
- Development and Approval of Policy;
- Lead Time procurement items;
- Availability of Funds to start and maintain operations;
- Definition of roles and responsibilities to be shared and retained by Municipalities;
- Ownership of equipment's;
- Storage parameters for data collected;
- Information distribution between the centers and the public; and
- Availability of latest technology locally.

The Transport Management Centre has capabilities to revolutionise the coordination of traffic, transport and road incidents throughout greater Gauteng. The project has commenced with the first phase of implementation in financial year 2019/20.

Gauteng Transport Authority

One of the major strategic interventions of the ITMP25 is the establishment of the Gauteng Transport Authority. The authority seeks to transform the current fragmentation of public transport governance and the management of institutions into coordinated transport planning. The authority is also aimed at supporting the Gauteng Global City Region Strategy as planning for the transport sector will be focused in a cohesive manner. To this effect, the Transport Authority will align the fragmented and conflicting interests of multiple transport authorities, each with separate funding mandates. The department has made major strides in the establishment of the GTA with the policy framework for a single Transport Authority and enabling legislation introduced in the Gauteng Provincial Legislation during the 2018/19 financial year. Once the policy and legislative processes are concluded, the institutional architecture for the Gauteng Transport Authority will be facilitated with the establishment and the operationalisation of the GTA being implemented in 2019/20.

4. REPRIORITISATION

The reprioritisation exercise that has been undertaken for this budget has been in relation to the discretionary funding of the department, mainly as a result of the budget cuts that have been effected in the department's total budget. The total reduction is R15.7 million and R6.6 million in the 2019/20 and 2020/21 financial years respectively. These amounts resulted in budget being cut on other items that are critical within the department, such as regional offices' maintenance as well as training and development. The budget that remains for these items will be used effectively to ensure that the planned outcomes is achieved as much as possible.

Furthermore, the exercise also ensured complete compliance to the cost-containment measures that are applicable to all departments in the country and strived to ensure that the budget was allocated equitably within the department to reduce the need for adjustments as the financial year progresses.

5. PROCUREMENT

The SCM the Unit plays an instrumental role in administering and facilitating the appointment of contractors and professional consultants for all major road construction and maintenance projects. The Unit has established its Demand, Acquisition and Contract Management Plans with regards to projects to ensure the effective and efficient management of state resources relating to projects. Some of the major capital and maintenance projects planned for the 2019/20 financial year are as follows:

Projects	Estimated Value (R'000)
PWV 15 Phase 1: Construction of a new road between R21 and N3 and detail design between R21 and N12	R110 000
K69 Phase 1: Construction of Road K69 from R104 (Bronkhorstspruit RD) to Road K54 in Mamelodi	R100 000
K73: Upgrading of road K73 between Woodmead Drive and Allandale Road (D58)	R274 000
R82 phase 3: Old Vereeniging Road between Walkerville and Vereeniging (De Deur)	R313 000
Greengate Development: Reconstruction and upgrade of the M5 Beyers Naude Drive from Zandspruit (Peter Road) to the N14	R196 000
K15 Phase 3: Upgrading of K15 Adcock Road between K102 Main Street Dobsonville to Wild Chestnut Street Protea Glen.	R400 000
K101 Phase 1: Upgrading (Doubling) Road P1/2 (K101) (old PTA/JHB road) from N1 Rooihuiskraal interchange to Road D795 (Olifantsfontein Road) (Midrand)	R420 000
Vaal River City: Construction of new interchange and access roads on the R42 (Barrage Road) in Vereeniging	R250 000
Upgrade of K14 from P2-5 (R513) Cullinan Road to Rayton Road D483 (R516)	R182 000
Construction of road K148 between roads K146 and K133, including K148/N3 Interchange	R440 000
P66/1 / (K71 Phase 3) between road P71/1 and road D795 Links Kyalami in Midrand and Noordwyk R562	R350 000
Construction of New K56 between K46 (William Nicol Drive) and P79/1 (Main RD) as well as the extension of Erling Rd	R500 000
Rehabilitation of Road P122/1 Phase 2 from km 8.4 to Solomon Mahlangu Drive (K69) (approx. 9.3km)	R180 000
Rehabilitation on Road P 103-1 between N14 and N1 (km 6.52 to km 17.15)	R115 000
The rehabilitation of Road P73/1 between Ennerdale (km 41,0) and Eldorado Park (km 62.24) Approximately 21,24 km	R246 000
Rehabilitation of Road P241-1 (R554) and Road D405	R140 000

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 9.1.: SUMMARY OF RECEIPTS: DEPARTMENT OF ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	4 287 564	5 341 881	4 139 926	4 657 918	4 991 890	4 989 190	4 498 664	5 266 846	4 463 596
Conditional grants	2 318 388	2 567 566	2 817 750	3 055 900	3 125 023	3 125 023	3 209 966	3 269 126	3 463 482
Provincial Roads Maintenance Grant	455 091	501 197	656 183	742 522	742 522	742 522	767 506	669 835	721 233
Expanded Public Works Programme Integrated Grant For Provinces - Rrads And Transport	2 516	2 449	6 504	6 490	6 490	6 490	6 386		
Public Transport Operations Grant	1 849 789	2 035 389	2 315 535	2 306 888	2 376 011	2 376 011	2 436 074	2 599 291	2 742 249
Total receipts	6 605 952	7 909 447	6 957 676	7 713 818	8 116 913	8 114 213	7 708 630	8 535 972	7 927 078

The equitable share and conditional grants are the main sources of funding for the department. The allocated grants are the Public Transport Operations Grant (PTOG) which is utilised for the payment of bus subsidies, the Provincial Roads Maintenance Grant (PRMG) that is allocated for the maintenance of the provincial road network as well as the EPWP Incentive Grant, which is an incentive grant for the number of EPWP jobs that are created within the infrastructure projects that the Department implements in the preceding financial year.

The equitable share includes all the other items that are not funded by the grants, i.e. the construction and design infrastructure projects, operational expenditure (including salaries) and the Gautrain. The expenditure from 2015/16 to 2017/18 was between R4 billion and R5 billion and ensured that the department could deliver on the allocated mandates during that period. During the 2018/19 financial year, the allocation was adjusted upwards to R4.7 billion because of the number of high value infrastructure projects that will be implemented over the financial year, some of which will be completed by the end of the year. The MTEF figures remain in the R4 and R5 billion range due to the project life cycles of the infrastructure projects.

The conditional grants expenditure increased from R2.3 billion in 2015/16 to R2.8 billion in 2017/18. The spending and budget allocations for the grants is in line with the requirements of the DoRA, and the Department assists the national targets of roads maintenance and provision of public transport services to the citizens. The allocation in the 2018/19 financial year was increased as a result of a rollover of R69 million for the PTOG that was approved as part of the adjustments budget; the other grants remained as is. Over the MTEF, the grants collectively remain below R3.5 billion in line with the departmental plans. The major issue over the MTEF is the devolving of the bus contracts to the municipalities, a matter that is currently receiving attention.

6.2 Departmental receipts

TABLE 9.2.: SUMMARY OF DEPARTMENTAL RECEIPTS: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	3 217 032	3 404 962	3 717 041	3 811 724	3 811 724	3 811 724	4 025 181	4 246 566	4 480 127
Motor vehicle licences	3 217 032	3 404 962	3 717 041	3 811 724	3 811 724	3 811 724	4 025 181	4 246 566	4 480 127
Sales of goods and services other than capital assets	54 970	58 918	54 029	79 537	79 537	79 537	83 991	88 611	93 485
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	61	15	13	63	63	63	67	71	75
Sales of capital assets	4 491	12 705	7 245						
Transactions in financial assets and liabilities	1 673	537	5 496	1 587	1 587	22 374	1 676	1 768	1 865
Total departmental receipts	3 278 227	3 477 137	3 783 824	3 892 911	3 892 911	3 913 698	4 110 915	4 337 016	4 575 552

The department is the main contributor towards own revenue generated in the province, making up a contribution of more than 60 per cent of the entire provincial collection. This revenue is primarily generated through tax receipts arising from motor vehicle registration and licensing fees. In generating this revenue, the department is also liable for direct charges, which includes amounts that are deducted from collected revenue to reimburse the primary collectors/agents of that revenue on behalf of the department. The other departmental revenue items are minor in comparison. The motor vehicle licensing is by far the most productive source of revenue for the department.

The increases in the revenue collections from the past were R3.3 billion in 2015/16, R3.5 billion in 2016/17 and R3.7 billion in 2017/18. The revenue is expected to increase further over the MTEF from R4.1 billion in 2019/20 to R4.6 billion in 2021/22 because of expected increases in vehicles on the road, annual increases in tariffs combined with efficient revenue collection. In concluding the estimates, the following factors were considered, namely:

- Consumer Price Inflation Index (CPIX);
- Vehicles on the road;
- Direct cost expected to be paid from the revenue account;
- Interest and penalties expected to be received;
- Previous revenues collected; and
- Trends in the motor industry in the country.

The second contributor to revenue generation is sales of goods and services other than capital assets which consist of sale of tender documents. The growth in revenue from this source over the years was due to the high sales of documents to the prospective tenderers. The department had several infrastructure projects out on tender during that period.

The interest, dividends and rent on land mainly consists of items such as interest on staff debts, a minor contributor to the total revenue collection. The inconsistent trend can be attributed to the difficulty in accurately projecting for these items owing to their uncertain nature.

The department also collects revenue from transactions in financial assets and liabilities, which consists of fees for the recovery of debts. The variations over the seven years under review can be attributed to the difficulty in budgeting for this item owing to its uncertain nature.

7. PAYMENT SUMMARY

7.1 Key assumptions

When compiling the 2019 MTEF budget, the department considered the following factors:

- Improving alignment with the province's TMR vision for the next three years;
- Improving alignment with government's policy priorities as stated in the NDP, the 2014-2019 MTSF, provincial government plans of the sector and institutions;
- Basic salary costs including annual improvement in conditions of services adjustments;

- Items linked to rates of increases in basic salary costs, pension fund contributions, thirteenth cheque and overtime;
- Medical aid contributions, which normally increase more rapidly than inflation;
- Homeowners' allowance, which changes in line with interest rates;
- Skills development levies;
- Implementation of cost-containment;
- Reprioritisation within programmes and items; and
- Additional funding to the baseline.

In relation to the infrastructure projects, the budget assumptions made are based on the availability of funds, state of readiness to implement the projects, capacity to manage the projects, as well as the magnitude of the project.

7.2 Programme summary

TABLE 9.3.: SUMMARY OF PAYMENTS AND ESTIMATES: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	239 213	262 914	293 658	359 104	360 954	355 146	370 347	394 870	431 455
2. Transport Infrastructure	2 177 112	1 961 151	2 246 184	2 519 682	2 867 971	2 871 210	2 155 661	2 623 328	1 664 386
3. Transport Operations	2 019 168	2 416 513	2 113 499	2 589 117	2 639 219	2 638 918	2 688 745	2 874 797	3 032 955
4. Transport Regulation	262 357	319 322	299 925	300 647	303 501	303 671	340 563	371 231	403 861
5. Gautrain	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Total payments and estimates	6 259 301	7 771 989	6 786 960	7 713 818	8 116 913	8 114 213	7 708 630	8 535 972	7 927 078

The table above indicates the services of the department categorised under the programmes, which are fully aligned to the uniform budget and programme structure for the transport sector. The table indicates audited expenditure outcomes and budget allocations for the 2019 MTEF. The audited outcomes increased from R6.3 billion in 2015/16 to R6.8 billion in 2017/18 mainly because of the increased allocations for the Gautrain and the infrastructure projects during that period. The increased budget in 2018/19 amounted to R8.1 billion and is due to readiness to implement the infrastructure projects in that year. Over the MTEF, the allocation increases from R7.7 billion in 2019/20 to R7.9 billion in 2021/22. This is mainly due to the project life cycles of all the projects in the infrastructure programme as well as the other information that the department has to gather as evidence for the 2021/22 financial year for the projects that are planned for commencement in that year. Some of the information will only be available towards the end of the 2020/21 financial year.

Programme 1: Administration – There is a slight increase in expenditure from R239.2 million in 2015/16 to R293.7 million in the 2017/18 financial year because of inflationary increases. In 2018/19 the budget increased to R359.1 million and will be managed down through the cost-containment measures. Over the MTEF the allocation for this programme continues to grow from R370.3 million in 2019/20, R394.9 million in 2020/21 and R431.5 million in 2021/22. The department will continue to manage the expenditure down within this programme to align to the national and provincial cost-containment measures while supporting the core programmes.

Programme 2: Transport infrastructure - Increases in the allocation within this programme is because of the department's growing investment in the provincial road network through the maintenance programme, upgrades and rehabilitation projects that are being implemented. The core functions of this programme are funded through the PRMG and the provincial earmarked infrastructure allocations. These allocations also form the core of the entire department. The expenditure amounted to R2.2 billion, R2 billion and R2.2 billion in the financial years 2015/16, 2016/17 and 2017/18 respectively. The budget in the 2018/19 financial year increased to R2.9 billion because of the high number of high-value projects that are underway, some of which will be completed by the end of the financial year. The budget then decreases in 2019/20 to R2.2 billion, increases in 2020/21 to R2.6 billion, then drops in 2021/22 to R1.7 billion in line with the project life cycle of the projects.

Programme 3: Transport operations – The programme shows an increase of expenditure from R2 billion in 2015/16 to R2.1 billion in 2017/18 owing to the agreed amounts for the public transport services with the operators and the North-West Star demarcation allocation that is growing at a marginal rate. The amounts are both reflected against transfers and subsidies, the item public corporations and private enterprises. The allocation further increased to R2.6 billion in 2018/19 financial year and all the payments were made accordingly before the close of the financial year. This increase is maintained into the MTEF and is mainly inflationary in nature.

Programme 4: Transport regulation - The programme reflects expenditure increase from R262.4 million in 2015/16 to R299.9 million in 2017/18 because of the investment made in the construction of the Mabopane, Kagiso and Sebokeng DLTCs. Furthermore, there were non-infrastructure activities done within the DLTCs such as branding of all the operational DLTCs

and purchasing new furniture for the DLTCs as soon as the construction was completed. The budget over the MTEF does not include any DLTCs as these will be complete. However, the other non-infrastructure projects - which happen to be enablers of the infrastructure - are therefore responsible for the increase in the revenue collected such as the gazetting of operating licences and the Revenue Information Management System (RIMS) projects to be conducted over the MTEF.

Programme 5: The expenditure of this programme increased between 2015/16 and 2017/18 from R1.6 billion to R1.8 billion in line with the agreements with the concessionaire. In 2016/17, the expenditure was high because, over and above the amounts agreed to in line with the concession agreement, the GMA had to settle legal claims that became due in that year. The budget is expected to grow over the MTEF from R2.1 billion in 2019/20 to R2.4 billion in 2021/22, mainly for the maintenance and capacitation of the current system. The Gautrain II Project is still being assessed in terms of the financial resource requirements.

7.3 Summary of economic classification

TABLE 9.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 336 094	1 750 232	1 771 102	2 274 844	2 511 153	2 535 957	2 252 028	1 776 312	1 555 968
Compensation of employees	549 027	595 813	633 927	702 514	702 514	688 531	750 285	799 053	863 798
Goods and services	786 608	1 154 417	1 098 542	1 572 070	1 808 279	1 832 624	1 501 483	976 985	691 881
Interest and rent on land	459	2	38 633	260	360	14 802	260	274	289
Transfers and subsidies to:	3 527 500	5 163 865	4 006 249	4 431 965	4 501 148	4 530 806	4 779 504	5 068 186	5 344 519
Provinces and municipalities	1 079	1 581	1 751	2 500	2 500	2 500	2 500	2 800	3 000
Departmental agencies and accounts	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Public corporations and private enterprises	1 959 610	2 340 673	2 052 599	2 476 667	2 545 790	2 545 790	2 615 700	2 788 796	2 941 987
Households	5 360	9 522	118 205	7 530	7 590	37 248	7 990	4 844	5 111
Payments for capital assets	1 378 676	857 806	1 009 376	1 007 010	1 104 506	1 047 345	677 098	1 691 474	1 026 591
Buildings and other fixed structures	1 179 703	759 292	984 736	972 350	1 075 793	1 018 632	656 518	1 669 427	1 003 350
Machinery and equipment	198 836	98 296	24 429	28 860	24 413	24 413	19 020	20 357	21 541
Software and other intangible assets	137	218	211	5 800	4 300	4 300	1 560	1 690	1 700
Payments for financial assets	17 031	86	233		106	105			
Total economic classification	6 259 301	7 771 989	6 786 960	7 713 818	8 116 913	8 114 213	7 708 630	8 535 972	7 927 078

The total compensation of employees has increased from R549 million in the 2015/16 financial year to R633.9 million in 2017/18 because of the annual improvements of conditions of service (ICS). In 2018/19, the budget allocation is R702 million. Over the MTEF, the allocation increases from R750.3 million in 2019/20 to R863.8 million in 2021/22 to cater for annual salary adjustments and pay progression in order to allow the department to further capacitate the core programmes in line with the approved structure.

The goods and services item caters for all the operational costs of the department, including the maintenance of infrastructure projects as these are current in nature. The expenditure increased from R786.6 million in 2015/16 to R1.1 billion in 2017/18 because of the increased spending on maintaining the provincial road network. This further increased into the 2018/19 financial year amounting to R1.8 billion and is due to increased investment. The fluctuations of the budget over the MTEF are due to the project life cycles of the current running projects and the additional information that is still required from the department for the projects that are yet to commence in the later financial years.

Transfers and subsidy items consist mainly of the allocation for the Gautrain project as well as the PTOG. The amount against the departmental agencies and accounts relates to payments made in respect of the Gautrain. This is mainly for maintenance and capacitation of the current system, and the development of the plans for the second phase of the project. The expenditure grew from R3.5 billion in 2015/16 to just over R4 billion in 2017/18. The higher increase in 2017/18 was due to the court settlements that were made in that financial year for the old routine maintenance contracts from previous financial

year. The adjustments made in the 2018/19 financial year were due to the rollover that was approved for the PTOG during that year. Over the MTEF, the increases are mainly inflationary in nature, including the budget for the bus subsidies.

The payment for capital assets item is for infrastructure projects. The department's capital assets expenditure decreased from R1.4 billion in 2015/16 to R1 billion in 2017/18 due to the increased investment in the maintenance of the existing provincial road network during that period as opposed to the upgrading programme which is indicated by the increases in the goods and services item during the same period. Over the MTEF, the allocation increases from R677.1 million in 2019/20 to R1 billion in 2021/22 because of the project life cycles of the current running projects.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2019 Estimates of Capital Expenditure (ECE).

7.4.2 Departmental Public-Private-Partnership (PPP) projects

N/A

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.5.2 Transfers to other entities

TABLE 9.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Gauteng Management Agency	1 561 451	2 232 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Total departmental transfers	1 561 451	2 232 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421

The expenditure of this programme increased between 2015/16 and 2017/18 from R1.6 billion to R1.8 billion for the daily operations of the system. In 2016/17, the GMA had to settle legal claims that became due in that year, hence the increased expenditure in that year. The budget is expected to grow over the MTEF from R2.2 billion in 2019/20 to R2.4 billion in 2021/22, which is mainly for the maintenance and capacitation of the current system. The Gautrain II project is still being assessed in terms of the financial resource requirements.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

To provide the department with overall management and administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

Programme objectives

- To render advisory, Parliamentary, secretarial, administrative and office support service to the MEC;
- To provide overall management of and support to the Department; and
- To manage personnel, procurement, finance, administration and related support services.

TABLE 9.6: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The MEC	6 626	7 778	7 141	9 490	9 690	9 586	9 780	10 327	10 894
2. Management Of The Department	15 918	15 078	15 863	18 140	18 140	17 635	18 750	19 709	20 794
3. Corporate Support	216 150	238 041	267 931	328 139	329 789	324 708	338 269	361 097	395 824

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
4. Departmental Strategy	519	2 017	2 723	3 335	3 335	3 217	3 548	3 737	3 943
Total payments and estimates	239 213	262 914	293 658	359 104	360 954	355 146	370 347	394 870	431 455

TABLE 9.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	232 137	258 195	280 090	342 744	347 454	341 646	357 067	380 636	416 447
Compensation of employees	145 121	158 479	164 432	188 460	188 460	182 739	202 514	213 654	233 901
Goods and services	86 558	99 716	115 647	154 224	158 934	158 907	154 493	166 919	182 480
Interest and rent on land	458		11	60	60		60	63	66
Transfers and subsidies to:	169	948	610	550	610	610	550	580	613
Provinces and municipalities									
Households	169	948	610	550	610	610	550	580	613
Payments for capital assets	6 870	3 768	12 918	15 810	12 840	12 840	12 730	13 654	14 395
Buildings and other fixed structures									
Machinery and equipment	6 870	3 568	12 707	11 810	9 040	9 040	12 170	13 063	13 771
Software and other intangible assets		200	211	4 000	3 800	3 800	560	591	624
Payments for financial assets	37	3	40		50	50			
Total economic classification	239 213	262 914	293 658	359 104	360 954	355 146	370 347	394 870	431 455

The sub-programmes within this programme are administrative in nature. Therefore, the allocations are funded from the equitable share portion of the departmental allocation. The spending within the MEC's office varies slightly from 2015/16 to the 2017/18 financial year from R6.6 million to R7.1 million because there were no major activities that could have affected the spending during those years. This budget increased to R9.7 million into 2018/19 from R7.1 million in 2017/18 because the budget allocated for transport was drastically reduced in line with the cost containment measures. The department continued to budget in 2018/19 at the same level as 2017/18, however the department shifted the budget to other items that are related to the programmes that are implemented within the office. The budget remains around the R10 million mark for the MTEF period to cover minor inflationary adjustments only. The Management Sub-Programme is made up of the HOD's office, Risk Management, and the Anti-Fraud and Corruption Unit. The expenditure remains around R16 million over the period 2015/16 to 2017/18 and increases over the MTEF from R17 million to R20 million due to inflationary adjustments. The expenditure within the Corporate Services Sub-Programme increased from R216.2 million in 2015/16 to R267.9 million in 2017/18 because of the relocation to the new building that took place in 2017/18. In the 2018/19 financial year, the unit's budget increased to cover the additional costs related to the last phase of the relocation and the additional security contracts that were entered into for the new building. The increases in the MTEF period are because of the increased maintenance costs of the regional offices over the period. The departmental strategy's expenditure and allocation are very low because the unit is very small and mainly needs budget for salaries and basic operational requirements only.

Expenditure on compensation of employees increased from R145 million in 2015/16 to R164 million in 2017/18 and the budget then increased from R188 million in 2018/19 to R234 million in the last year of the MTEF. The increases are because of improvements in the conditions of service (ICS).

The goods and services expenditure increased from R87 million in 2015/16 to R134 million in 2017/18 and then to a further R182 million in the last year of the MTEF. This was for the operational requirements of the units, particularly the maintenance of the regional offices that will be implemented over the MTEF.

The pension benefits, leave gratuities and injury on-duty claims all make up the households' item in transfers and subsidies. All these items are very difficult to budget for, however - over the years - the expenditure has been steady. The budget going forward is estimated at around R550 000 over the 2019 MTEF.

The software and intangible assets item is for the software licences that the department pays annually. The expenditure was not realised in 2015/16 because the licences were not paid in that year. Over the MTEF period the allocation decreased to R560 000 in 2019/20 and varies between 2020/21 and 2021/22 respectively.

PROGRAMME 2: TRANSPORT INFRASTRUCTURE

Programme description

To promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.

Programme objectives

- Provide for planning and co-ordination towards the formulation of provincial transport policies and statutory plans;
- Plan integrated modal transport facilities and systems for all modes of transport including non-motorised transport;
- Promote and improve safety on transport infrastructure;
- Facilitate the provision of road safety audits on all roads and transport infrastructure to ensure safe traffic and people movement;
- Provide data collection services and research to provide management information systems for the provincial road network;
- Provide design of road and transport infrastructure including all necessary support functions such as environmental impact assessments, traffic impact assessments, surveys, expropriations, material investigations and testing;
- Develop new roads and re-construct, upgrade and rehabilitate road and transport infrastructure; and
- Effectively maintain road and transport infrastructure

TABLE 9.8: SUMMARY OF PAYMENTS AND ESTIMATES: TRANSPORT INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Infrastructure Planning	38 079	42 404	50 073	60 299	62 897	63 512	70 007	37 758	39 835
2. Infrastructure Design	142 111	153 122	114 225	110 105	147 960	222 929	120 661	91 719	82 593
3. Construction	1 042 527	637 333	903 307	947 365	1 033 508	888 792	664 797	1 712 043	1 061 459
4. Maintenance	912 344	1 088 130	1 002 552	1 367 519	1 587 061	1 618 660	1 264 676	747 544	444 349
5. Programme Support Infrastructure	42 051	40 162	176 027	34 395	36 545	77 317	35 520	34 264	36 150
Total payments and estimates	2 177 112	1 961 151	2 246 184	2 519 682	2 867 971	2 871 210	2 155 661	2 623 328	1 664 386

TABLE 9.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	870 171	1 169 343	1 167 959	1 528 073	1 776 952	1 817 580	1 484 943	941 959	648 318
Compensation of employees	242 315	261 529	281 176	279 404	313 085	305 179	310 800	323 152	340 928
Goods and services	627 855	907 812	848 161	1 248 619	1 463 717	1 497 749	1 174 093	618 754	307 334
Interest and rent on land	1	2	38 622	50	150	14 652	50	53	56
Transfers and subsidies to:	5 625	10 027	118 799	8 670	8 670	38 103	9 110	6 188	6 573
Provinces and municipalities	1 079	1 581	1 751	2 500	2 500	2 500	2 500	2 800	3 000
Households	4 546	8 446	117 048	6 170	6 170	35 603	6 610	3 388	3 573
Payments for capital assets	1 284 326	781 705	959 327	982 940	1 082 302	1 015 481	661 608	1 675 181	1 009 495
Buildings and other fixed structures	1 096 261	692 676	949 047	968 050	1 068 639	1 001 818	656 218	1 669 427	1 003 350
Machinery and equipment	187 928	89 029	10 280	14 890	13 663	13 663	5 390	5 754	6 145
Software and other intangible assets	137								
Payments for financial assets	16 990	76	99		47	46			

Total economic classification	2 177 112	1 961 151	2 246 184	2 519 682	2 867 971	2 871 210	2 155 661	2 623 328	1 664 386
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The allocation for this programme includes the PRMG and provincial earmarked infrastructure allocations. These two allocations form the core of this programme and of most of the Departmental allocations.

Infrastructure planning

The unit is responsible for the infrastructure planning, which includes the route determinations, mapping of minibus taxi routes in Gauteng, Gauteng Transport Modelling Centre (GTMC) modelling centre, Gauteng Household Travel Survey, feasibility study on the integrated BRT line, feasibility study on trucks stops and their location in Gauteng, feasibility study on NMT and revision of the Provincial NMT policy, ITP support and Master Plan for Transport Services Centres in Gauteng. The unit's infrastructure-related projects and CoE were fully funded during the 2015/16 to 2017/18 financial years. During the 2018/19 financial year, there was an increase in the number of planning projects within the department in line with the Integrated Transport Master Plan 25 (ITMP25). The growth will continue in the 2018/19 to R63 million, however this decreases significantly over the MTEF because the major planning projects are not funded pending the availability of information.

Infrastructure design

The unit is responsible for the design projects for the road infrastructure projects including managing the processes related to the proclamation of the land that the projects are implemented on. The allocation for the design unit decreased from R142.1 million in 2015/16 to R114 million in 2017/18. The allocation then increases in 2018/19 to R148 million because of the anticipated designs and land proclamations that will be finalised before the end of the year. Over the MTEF, the allocation decreases from R120.7 million in 2019/20 to R82.6 million in 2021/22 because most of the on-going projects will be completed and the strategic planning period will assist in prioritising the other projects as outlined in the ITMP25.

Construction

The unit is responsible for the construction of roads within the province, i.e. upgrades, rehabilitation and new roads. The expenditure decreases from R1.043 billion in 2015/16 to R903.3 million in 2017/18 because of the increased focus on maintenance of roads as opposed to new roads. For the period 2018/19 to the last year of the MTEF, there unit will implement a number of both rehabilitations and upgrades that have differing project life cycles and therefore the budget fluctuates over that period.

Maintenance

The unit is responsible for the maintenance of roads within the provincial network and is funded by the PRMG, the EPWP grant and the infrastructure equitable share allocation. The expenditure increased from R912.3 million in 2015/16 to R1 billion in 2017/18 financial year because of the province's continuing focus on maintenance of the provincial network rather than the construction of new roads. The allocation continues to grow in 2018/19 to R1.6 billion, however this is then reduced drastically over the MTEF because of the outsourced maintenance contracts that will be ending in 2019/20 and the procurement process thereof will only commence later in that year, the finalisation of which will determine the budget requirements. The allocation reduces to R1.3 billion in 2019/20 and again to R444.3 million in 2021/22.

The programme's compensation of employees increased from R242.3 million in 2015/16 to R281 million in 2017/18 and a further increase of R305 million in 2018/19, due to salary pay progression and minor allocations for critical posts in line with the organisational structure. Over the MTEF the allocation increases from R311 million in 2019/20 to R341 million in 2021/22 mainly because of the improvements in the conditions of service (ICS) and minor allocations for critical posts in line with the organisational structure.

The goods and services budget increased from R628 million in 2015/16, to R908 million in 2016/17, and then decreased to R848 million in the 2017/18 financial year because of the increased investment in the maintenance of the provincial road network. Over the MTEF the allocation decreases from R1.2 billion in 2019/20 and a further decrease for the other two years due to the varying project life cycles of the infrastructure programme.

The items used for transfers and subsidies are for the payments of licensing fees for the construction fleet as well as households, which is for pension benefits, leave gratuities and all injury on duty claims. The expenditure increased from R5.6 million to R119 million from the 2005/06 to the 2017/18 financial year. This higher than normal increase was as a result of court orders that became due in the 2017/18 financial year for the routine maintenance projects. The budget then normalises in the 2018/19 financial year with the budget of R8.7 million. Over the MTEF, the licensing fees are funded from infrastructure and are budgeted fully each financial year. The household items, which are generally difficult to budget for, decrease from R6 million in 2019/20 to R3.6 million in 2021/22.

The capital items are mainly for the infrastructure allocations and the full list is available in the ECE. The increase in expenditure and budget within this item is in line with the explanations provided above for the construction unit. The spending within this item varies from R1.3 billion in 2015/16 to the R959 million in 2017/18 and increase to R1,015 billion in 2018/19 financial year. Over the MTEF the allocation decrease to R662 million in 2019/20 and a further increase of R1,009 billion in 2021/22. The expenditure and allocations are based on the state of readiness, capacity to manage the projects, the

project life cycles as well as the needs analysis of infrastructure within the province in line with the ITMP25, TMR and Ntirhisano initiatives. The allocation variations over the MTEF are in line with the project life cycles on the capital infrastructure projects within the design and construction units.

SERVICE DELIVERY MEASURES

PROGRAMME 2: TRANSPORT INFRASTRUCTURE

	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Programme performance measures				
Number of designs completed	9	11	5	4
Number of km of surfaced roads visually assessed as per the applicable TMH manual	4, 571km	4, 571km	4, 571km	4, 571km
Number of km of gravelled roads visually assessed as per the applicable TMH manual	1, 359km	1, 359km	1, 359km	1, 359km
Number of m2 of surfaced roads upgraded	168, 000.00m ²	0m ²	253, 030.00m ²	458, 830.00m ²
Number of km of gravel roads upgraded to surfaced roads	11.35km	0km	13km	12km
Number of m2 NMT infrastructure completed	35, 000.00m ²	0m ²	13,400.00m ²	33, 000.00m ²
Number of construction and NMT jobs created through the implementation of EPWP principles	200	350	400	500
Number of m2 of surfaced roads rehabilitated	862, 968.00m ²	306, 360.00m ²	0m ²	0m ²
Number of m2 of surfaced roads re-sealed	126, 000.00m ²	96, 000.00m ²	84, 000.00m ²	126, 000.00m ²
Number of km of gravel roads re-graveled	120.02km	157.97km	76km	100km
Number of m2 of blacktop patching	94, 000m ²	40, 000.00m ²	43, 000.00m ²	120, 000.00m ²
Number of km of gravel roads bladed	1, 230km	1, 248km	1, 240km	1, 240km
Number of maintenance jobs created through the implementation of EPWP	3, 700	3, 750	4, 480	4, 700
Number of weigh bridges calibrated to SABS standard	4	4	4	4
Number of abnormal load permits issued	21, 800	24, 000	25, 000	26

PROGRAMME 3: TRANSPORT OPERATIONS

Programme description

To plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, CBOs, NGOs and the private sector in order to enhance the mobility of all communities particularly those currently without, or with limited, access

Programme objectives

- Management of integrated land transport contracts to provide mobility to commuters; and
- Manage, co-ordinate and facilitate transport safety and compliance in all modes with related legislation, regulations and policies through pro-active and reactive tactics and strategies.

TABLE 9.10: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: TRANSPORT OPERATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Public Transport Services	2 012 968	2 410 921	2 110 764	2 580 547	2 631 149	2 631 757	2 680 190	2 865 736	3 023 159
2. Programme Support Operations	6 200	5 592	2 735	8 570	8 070	7 161	8 555	9 061	9 796
Total payments and estimates	2 019 168	2 416 513	2 113 499	2 589 117	2 639 219	2 638 918	2 688 745	2 874 797	3 032 955

TABLE 9.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT OPERATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	41 039	58 763	50 677	111 650	93 229	83 213	72 835	85 774	90 728
Compensation of employees	23 783	22 934	25 595	62 950	29 269	28 913	27 975	29 555	31 181
Goods and services	17 256	35 829	25 082	48 700	63 960	54 300	44 860	56 219	59 547
Interest and rent on land									
Transfers and subsidies to:	1 959 692	2 340 695	2 052 745	2 476 787	2 545 910	2 545 965	2 615 830	2 788 933	2 942 132

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Public corporations and private enterprises	1 959 610	2 340 673	2 052 599	2 476 667	2 545 790	2 545 790	2 615 700	2 788 796	2 941 987
Non-profit institutions									
Households	82	22	146	120	120	175	130	137	145
Payments for capital assets	18 437	17 055	10 077	680	80	9 740	80	90	95
Buildings and other fixed structures	17 826	16 599	10 046			9 660			
Machinery and equipment	611	456	31	680	80	80	80	90	95
Payments for financial assets									
Total economic classification	2 019 168	2 416 513	2 113 499	2 589 117	2 639 219	2 638 918	2 688 745	2 874 797	3 032 955

The public transport operations grant (PTOG) and the North-West Star demarcation contracts are funded within this programme. These are both captured in the transfers and subsidies item and within the Public Transport Services (PTS) sub-programme. They form part of the core mandate of the department. The programme supports operations (PSO) sub-programme for the operational items of the unit. The increase in expenditure from R2 billion in 2015/16 to R2.1 billion in 2017/18 for PTS is in line with the increases in the PTOG, while the decrease in the PSO sub-programme is in line with the cost-containment measures and the re-alignment of the activities within the programme. From the 2018/19 financial year until the end of the MTEF period the budget allocations grew steadily from R2.6 billion to R3 billion in 2021/22 mainly because of inflationary adjustments within the programme's allocations.

Expenditure within compensation of employees increased from R23.8 million in 2015/16 to R25.6 million in 2017/18 financial years due to the Improvements in Conditions of Service (ICS). The increase in the 2018/19 financial year to R29.3 million is in line with the requirements of the unit as per the revised organisational structure. This item's budget then remains at about R30 million until the end of the MTEF period.

The programme's goods and services expenditure decreased to R17 million in 2015/16 and then varies between 2016/17 and 2017/18 respectively because of the operational requirements of the unit. From 2018/19 goods and services budget therefore only relates to operational expenditure, which includes the monitoring of the public transport operators aligned to the PTOG.

The allocation increases from R44.9 million in 2019/20 to R59.5 million in 2021/22 because of the increased allocations for the Integrated Fare Management System (IFMS), an ITMP25-linked project that the department is implementing with the support of Gautrain.

The department's PTOG and the North-West Star are both allocated within the transfers and subsidies item within this programme and the regular operational items of the department, i.e. the households item. Expenditure decreased slightly in 2015/16 and increased in 2016/17 and 2017/18 from R2 billion to R2.1 billion and then increased again in 2018/19 to R2.5 billion. Over the MTEF, estimated expenditure will increase from R2.7 billion in 2019/20 to R2.9 billion in the 2021/22 financial year. These increases are inflationary in nature.

The infrastructure expenditure decreased from R18.4 million in 2015/16 to R10.1 million in 2017/18 and is within the buildings and other fixed structures item because it relates to the intermodal facilities and the Shovakalula Bicycle Distribution Project. The budget in 2018/19 of R10 million was for the department to honour a payment on the Vereeniging Intermodal Facility – a project that has been plagued with delays and is still to be completed after an assessment has been completed by the department. The Shovakalula Project has been discontinued going forward.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRANSPORT OPERATIONS

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of intermodal facilities completed	Vereeniging practical completion		1	
Number of routes subsidised	2, 808 (Non cumulative)	3, 353 (Non cumulative)	3, 353 (Non cumulative)	
Number of km subsidised	60, 179, 088	99, 020, 478	99, 020, 478	
Number of trips subsidised	1, 374,094	1, 869, 881	1, 869, 881	
Number of Provincial Regulating Entity hearings conducted in terms of section 59 & 79 of the NLTA 2009	22			
Number of bicycles distributed through the Shovakalula project	6, 000	9, 500		

PROGRAMME 4: TRANSPORT REGULATION

Programme description

To ensure the provision of a safe environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes and registration and licensing of vehicles and drivers.

Programme objectives

- To monitor and control registration and licensing of all motor vehicles and to render services regarding the administration of applications in terms of the National Road Traffic Act (Act 93 of 1996);
- To implement laws and regulations relating to vehicle registration and licensing, vehicle fitness testing and driver fitness testing; and
- To manage, approve and control registration of transport operators and issue all licenses and permits required in terms of legislation.

TABLE 9.12: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: TRANSPORT REGULATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Transport Administration And Licencing	196 377	191 962	175 077	164 912	164 512	164 682	200 650	224 031	248 622
2. Operator Licence And Permits	65 980	127 360	124 848	135 735	138 989	138 989	139 913	147 200	155 239
Total payments and estimates	262 357	319 322	299 925	300 647	303 501	303 671	340 563	371 231	403 861

TABLE 9.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT REGULATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	192 747	263 931	272 376	292 377	293 518	293 518	337 183	367 943	400 475
Compensation of employees	137 808	152 871	162 724	171 700	171 700	171 700	208 996	232 692	257 788
Goods and services	54 939	111 060	109 652	120 527	121 668	121 668	128 037	135 093	142 520
Interest and rent on land				150	150	150	150	158	167
Transfers and subsidies to:	563	106	401	690	690	860	700	739	780
Households	563	106	401	690	690	860	700	739	780
Payments for capital assets	69 043	55 278	27 054	7 580	9 284	9 284	2 680	2 549	2 606
Buildings and other fixed structures	65 616	50 017	25 643	4 300	7 154	7 154	300		
Machinery and equipment	3 427	5 243	1 411	1 480	1 630	1 630	1 380	1 450	1 530
Software and other intangible assets		18		1 800	500	500	1 000	1 099	1 076

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets	4	7	94		9	9			
Total economic classification	262 357	319 322	299 925	300 647	303 501	303 671	340 563	371 231	403 861

The infrastructure projects are located within the budget for the Transport Operation and Licensing Board (TOLAB) and Drivers Licensing and Testing Centres (DLTC) together with the allocations for licensing and registration administrative functions, the significant one being the gazetting of public transport licensing. The audited outcome within this programme increased from R262.4 million in the 2015/16 to R299.9 million in the 2017/18 financial year. Other than the infrastructure projects and revenue-generation activities, the expenditure is mainly for the daily registration and licensing, which are operational in nature and are affected by inflationary increases. In 2018/19, the budget reduces to R303.5 million to cover operational costs primarily. Over the MTEF the allocation increases from R340.6 million in 2019/20 to R403.9 in 2021/22 financial year.

The expenditure on compensation of employees increased from R137.8 million in 2015/16 to R162.7 million in the 2017/18 financial year because the units within this programme continued to implement a recruitment drive to fill the posts in line with the revised organisational structure. The budget increases from R162.7 million in 2017/18 to R171.7 million in 2018/19 and increase to R257.8 million in 2021/22 due to the increase in ICS.

The programme's goods and services expenditure increased from R54.9 million in 2015/16 to R109.7 million in 2017/18, then a higher increase of the budget in 2018/19 financial year. All these increases were due to the increase in the tariffs for gazetting the public transport licences by the Government Printing Works as well as the high costs of maintaining the DLTCs that have been constructed over the years. For the rest of the years, the increases in the budget are inflationary in nature. The allocation increases over the MTEF period from R341 million in 2019/20, R371 million in 2020/21 and R404 million in 2021/22 respectively, the increases in the budget are inflationary in nature.

The capital payments expenditure increased from R69 million in 2015/16, decreased to R27 million in 2017/18 and a further R9 million decrease in 2018/19. The main expenditure was for the DLTCs and TOLAB infrastructure projects that the department implemented during that period. The department will not be implementing any infrastructure projects until the Infrastructure Planning Unit completes the Master Plan for Transport Services Centres that will guide where these centres must be situated and what form they should take for effective service delivery. Over the MTEF period the allocation increases from R2.7 million in 2019/20 to R3 million in 2021/22 respectively. The MTEF allocations are for the operational capital items only within the programme.

SERVICE DELIVERY MEASURES

PROGRAMME 4: TRANSPORT REGULATION

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Establishment of DLTCs			1	
Number of TOLABs constructed by 2019	Sebokeng Practical completion		1	1
Number of TOLABs refurbished			1	1
Number of DLTCs rolled out with Computerised Learner License Test system				
Number of compliance inspections conducted	135	140	145	145
Number of permits/ operating licenses issued by 2019	9, 000	8, 000	7, 000	6, 000
Number of permits converted to operating licenses by 2019	1, 500	1, 000	500	500
Impact Evaluation Study of project				
Number of fully registered minibus taxi associations in the Gauteng Province				
Number of audited monitored routes completed by 2019	700	400	400	400
Number of Non Mini bus Taxi modes registered by 2019	1, 800	2, 800	2, 000	2, 000

PROGRAMME 5: GAUTRAIN**Programme description**

To plan, design and construct the Rapid Rail Link and ensure efficient management and implementation of the Gautrain. Management of the concession agreement will remain one of the most important functions of the GMA. The agreement was concluded between the province, through the Department of Roads and Transport, on the one hand and the concessionaire on the other for the design, construction and operation of the railway line for the Gautrain Rapid Rail Project.

The agreement was concluded in terms of Treasury Regulation 16 as a public-private partnership (PPP) on the basis that the concessionaire will perform the institutional function of the province for the design, construction and operation of the railway line, acquiring the use of the land on which the railway line is established and the use of the railway line itself when constructed.

Programme objectives

- Manage the concession agreement;
- Manage the project's finances, financial securities, insurance, socio-economic development objectives, assets and the maintenance thereof;
- Liaise and exchange information with the three spheres of government, interested and affected parties, institutions and professional bodies in South Africa and other countries;
- Enhance integration with the province's public transport system;
- Monitor government policies and legislation;
- Perform duties assigned by the Railway Safety Regulator;
- Protect the rail reserve and provincial transport infrastructure involved in the project in terms of the Gauteng Transport Infrastructure Act; and
- Establish and operate information and management systems.

TABLE 9.14: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: GAUTRAIN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Gautrain Rapid Link	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Total payments and estimates	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421

TABLE 9.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments									
Transfers and subsidies to:	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Departmental agencies and accounts	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Payments for capital assets									
Payments for financial assets									
Total economic classification	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421

The budget and expenditure within this programme are related to the maintenance and capacitation of the current systems as well as the daily operational activities. The payments for the programme increased from R1.6 billion in 2015/16 and vary between 2016/17 and 2017/18 financial years. The increases from 2018/19 until the end of the MTEF from R2.1 billion to R2.3 billion are inflationary in nature and will continue to be for the operational phase of the project.

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 9.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT: ROADS AND TRANSPORT

R thousands	Actual				Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF				
	2014/15		2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21		
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
Salary level																	
1 – 6	1 055	185 471	1 148	205 276	1 202	244 898	1 154	50	1 204	235 887	1 166	247 930	1 195	272 432	(0.2)%	4.9%	35.0%
7 – 10	590	66 032	588	238 583	548	226 696	475	76	551	256 603	580	244 995	630	273 932	4.6%	2.2%	36.1%
11 – 12	90	56 329	95	109 708	101	101 726	35	75	110	117 400	121	137 488	147	160 896	10.1%	11.1%	19.7%
13 – 16	53	180 726	51	(4 599)	47	58 000	43	43	43	37 332	44	72 101	57	84 292	9.9%	31.2%	9.2%
Other																	
Total	1 788	488 558	1 882	548 988	1 898	631 320	1 707	201	1 908	647 222	1 911	702 514	2 029	791 552	2.1%	6.9%	100.0%
Programme																	
1. Administration	308	124 169	352	145 121	392	158 479	398		398	133 770	408	143 285	448	166 221	4.0%	7.5%	20.9%
2. Transport Infrastructure	1 025	226 994	1 023	242 315	997	261 529	833	147	980	159 299	930	353 223	958	408 508	(0.8)%	36.9%	43.6%
3. Transport Operations	59	22 103	59	23 783	59	22 934	45	4	49	209 280	57	27 351	70	29 734	12.6%	(47.8)%	12.2%
4. Transport Regulation	396	115 293	448	137 808	450	152 871	431	50	481	144 873	516	178 655	553	187 089	4.8%	8.9%	23.3%
5. Gautrain																	
Direct charges																	
Total	1 788	488 559	1 882	549 027	1 898	595 813	1 707	201	1 908	647 222	1 911	702 514	2 029	791 552	2.1%	6.9%	100.0%
Employee dispensation classification																	
Public Service Act appointees not covered by OSDs				405 445	1 674	1 778	1 674		1 674	489 714	1 674	512 029	1 674	570 442		5.2%	88.9%
Legal Professionals				3 158	6	6	6		6	3 449	6	3 604	6	4 015		5.2%	0.6%
Engineering Professions and related occupations				52 290	107	107	107		107	57 405	107	60 147	107	67 008		5.3%	10.4%
Total				460 893	1 787	1 891	1 787		1 787	550 568	1 787	575 780	1 787	641 465		5.2%	100.0%

The table above reflects the organisational structure of the department that was approved in 2012. The department has identified critical posts that will be filled because the allocated budget is not adequate and plans are underway in terms of prioritising these posts so that the resources are not stretched beyond what is available.

9.2 Training

TABLE 9.17: INFORMATION ON TRAINING: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	1 882	1 898	1 908	1 911	1 911	1 911	1 926	2 029	2 029
Number of personnel trained	700	750	800	850	850	850	900	950	950
of which									
Male	450	400	400	400	400	400	450	475	475
Female	250	350	400	450	450	450	450	475	475
Number of training opportunities	80	90	95	101	101	101	106	112	112
of which									
Tertiary	80	90	95	101	101	101	106	112	112
Number of bursaries offered	80	120	120	120	120	120	120	127	127
Number of interns appointed	30	45	50	55	55	55	60	63	63
Number of learnerships appointed	30	25	30	35	35	35	40	42	42
Payments on training by programme									
1. Administration	2 573	2 802	2 823	2 986	2 986	2 986	3 154	3 327	3 510
2. Transport Infrastructure	5 535	5 862	5 890	6 232	6 232	6 232	6 581	6 943	7 325
3. Transport Operations	805	862	869	919	919	919	970	1 023	1 079
4. Transport Regulation	2 622	2 770	2 782	2 943	2 943	2 943	3 108	3 279	3 459
5. Gautrain									
Total payments on training	11 535	12 295	12 363	13 080	13 080	13 080	13 813	14 572	15 373

The number of bursaries has increased and is adjusted annually to ensure that there is coverage throughout the province for the disciplines that are critical within the department.

9.3 Reconciliation of structural changes

No changes

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 9.19: SPECIFICATION OF RECEIPTS: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	3 217 032	3 404 962	3 717 041	3 811 724	3 811 724	3 811 724	4 025 181	4 246 566	4 480 127
Motor vehicle licences	3 217 032	3 404 962	3 717 041	3 811 724	3 811 724	3 811 724	4 025 181	4 246 566	4 480 127
Sales of goods and services other than capital assets	54 970	58 918	54 029	79 537	79 537	79 537	83 991	88 611	93 485
Sale of goods and services produced by department (excluding capital assets)	54 970	58 918	54 029	79 537	79 537	79 537	83 991	88 611	93 485
Sales by market establishments	54 970	58 918	54 029	79 537	79 537	79 537	83 991	88 611	93 485
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land	61	15	13	63	63	63	67	71	75
Interest	61	15	13	63	63	63	67	71	75
Sales of capital assets	4 491	12 705	7 245						
Other capital assets	4 491	12 705	7 245						
Transactions in financial assets and liabilities	1 673	537	5 496	1 587	1 587	22 374	1 676	1 768	1 865
Total departmental receipts	3 278 227	3 477 137	3 783 824	3 892 911	3 892 911	3 913 698	4 110 915	4 337 016	4 575 552

TABLE 9.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ROADS AND TRANSPORT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2018/19				2019/20	2020/21	2021/22
Current payments	1 336 094	1 750 232	2 274 844	2 274 844	2 511 153	2 535 957	2 252 028	1 776 312	1 555 968
Compensation of employees	549 027	595 813	702 514	702 514	702 514	688 531	750 285	799 053	863 798
Salaries and wages	471 723	510 048	553 294	553 294	586 975	581 570	633 220	673 638	731 484
Social contributions	77 304	85 765	149 220	149 220	115 539	106 961	117 065	125 415	132 314
Goods and services	786 608	1 154 417	1 572 070	1 572 070	1 808 279	1 832 624	1 501 483	976 985	691 881
Administrative fees	1 090	840	1 275	1 275	1 275	2 262	1 460	1 685	1 777
Advertising	10 927	8 183	10 040	10 040	10 530	11 082	11 060	12 169	12 839
Minor assets	1 900	1 698	200	200	1 255	1 562	585	245	258
Audit cost: External	6 273	4 897	6 200	6 200	6 200	7 442	6 500	7 000	7 385
Bursaries: Employees	1 418	943	2 100	2 100	2 100	1 411	2 200	2 500	2 638
Catering: Departmental activities	1 625	2 712	2 640	2 640	2 890	2 515	3 250	3 564	3 760
Communication (G&S)	11 611	21 388	10 160	10 160	10 740	12 153	11 630	12 690	13 388
Computer services	4 517	19 475	22 000	22 000	23 000	25 600	16 800	17 460	18 534
Consultants and professional services: Business and advisory services	22 977	32 023	43 100	43 100	42 740	42 547	42 700	54 145	57 124
Infrastructure and planning	13 270	15 082	30 100	30 100	32 698	31 088	36 267	2 110	2 226
Laboratory services	314	421			1 200	1 054	200	250	264
Legal services	11 862	17 407	11 282	11 282	13 832	19 743	14 460	15 685	16 547
Contractors	576 047	836 496	1 169 279	1 169 279	1 369 928	1 402 082	1 060 151	578 681	264 760

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2018/19				2019/20	2020/21	2021/22
Agency and support / outsourced services		622							
Fleet services (including government motor transport)	8 524	4 513	16 869	16 869	8 301	10 372	11 829	11 921	12 578
Inventory: Clothing material and accessories	1 549	3 708	3 500	3 500	3 500	3 500			
Inventory: Farming supplies									
Inventory: Fuel, oil and gas		1 082	5 000	5 000	5 000	5 000	1 500	1 650	1 815
Inventory: Materials and supplies	16 933	12 885	15 000	15 000	23 000	22 137	46 800	4 950	5 445
Inventory: Medical supplies									
Inventory: Other supplies	2 708	3 414	21 552	21 552	35 282	24 318	11 978	10 558	17 459
Consumable supplies	2 663	6 253	420	420	2 610	3 124	1 175	1 180	1 245
Consumable: Stationery, printing and office supplies	21 858	82 563	87 525	87 525	88 107	85 813	93 843	99 010	104 386
Operating leases	12 753	19 693	17 548	17 548	23 783	22 731	23 590	25 331	26 962
Property payments	36 173	32 355	60 920	60 920	63 960	65 608	68 260	75 821	79 991
Transport provided: Departmental activity	413	641	110	110	360	110	120	127	134
Travel and subsistence	10 905	11 663	14 980	14 980	13 848	14 254	15 530	16 487	17 393
Training and development	5 771	8 601	18 000	18 000	18 000	11 546	17 200	19 222	20 290
Operating payments	295	148							
Venues and facilities	2 232	2 444	2 270	2 270	4 140	3 570	2 395	2 544	2 683
Rental and hiring		2 267							
Interest and rent on land	459	2	260	260	360	14 802	260	274	289
Interest	459	2	260	260	360	14 802	260	274	289
Rent on land									
Transfers and subsidies	3 527 500	5 163 865	4 431 965	4 431 965	4 501 148	4 530 806	4 779 504	5 068 186	5 344 519
Provinces and municipalities	1 079	1 581	2 500	2 500	2 500	2 500	2 500	2 800	3 000
Municipalities	1 079	1 581	2 500	2 500	2 500	2 500	2 500	2 800	3 000
Municipalities	1 079	1 581	2 500	2 500	2 500	2 500	2 500	2 800	3 000
Departmental agencies and accounts	1 561 451	2 812 089	1 945 268	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Provide list of entities receiving transfers	1 561 451	2 812 089	1 945 268	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Public corporations and private enterprises	1 959 610	2 340 673	2 476 667	2 476 667	2 545 790	2 545 790	2 615 700	2 788 796	2 941 987
Private enterprises	1 959 610	2 340 673	2 476 667	2 476 667	2 545 790	2 545 790	2 615 700	2 788 796	2 941 987
Other transfers	1 959 610	2 340 673	2 476 667	2 476 667	2 545 790	2 545 790	2 615 700	2 788 796	2 941 987
Households	5 360	9 522	7 530	7 530	7 590	37 248	7 990	4 844	5 111
Social benefits	3 035	1 604	4 300	4 300	4 360	5 800	3 960	4 179	4 409
Other transfers to households	2 325	7 918	3 230	3 230	3 230	31 448	4 030	665	702

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2018/19				2019/20	2020/21	2021/22
Payments for capital assets	1 378 676	857 806	1 007 010	1 007 010	1 104 506	1 047 345	677 098	1 691 474	1 026 591
Buildings and other fixed structures	1 179 703	759 292	972 350	972 350	1 075 793	1 018 632	656 518	1 669 427	1 003 350
Other fixed structures	1 179 703	759 292	968 050	968 050	1 068 639	1 011 478	656 218	1 669 427	1 003 350
Machinery and equipment	198 836	98 296	28 860	28 860	24 413	24 413	19 020	20 357	21 541
Transport equipment	185 133	81 187	19 610	19 610	12 795	13 694	2 750	2 985	3 138
Other machinery and equipment	13 703	17 109	9 250	9 250	11 618	10 719	16 270	17 372	18 403
Software and other intangible assets	137	218	5 800	5 800	4 300	4 300	1 560	1 690	1 700
Payments for financial assets	17 031	86			106	105			
Total economic classification	6 259 301	7 771 989	7 713 818	7 713 818	8 116 913	8 114 213	7 708 630	8 535 972	7 927 078

TABLE 9.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	232 137	258 195	280 090	342 744	347 454	341 646	357 067	380 636	416 447
Compensation of employees	145 121	158 479	164 432	188 460	188 460	182 739	202 514	213 654	233 901
Salaries and wages	127 451	138 042	142 943	160 585	160 585	157 556	172 424	181 908	200 409
Social contributions	17 670	20 437	21 489	27 875	27 875	25 183	30 090	31 746	33 492
Goods and services	86 558	99 716	115 647	154 224	158 934	158 907	154 493	166 919	182 480
Administrative fees	634	518	1 060	1 030	1 030	1 979	1 235	1 440	1 519
Advertising	5 416	3 900	2 665	4 820	5 770	6 512	5 520	6 323	6 671
Minor assets	778	194	4 727	200	200	1 249	200	220	232
Audit cost: External	6 273	4 897	5 560	6 200	6 200	7 442	6 500	7 000	7 385
Bursaries: Employees	1 418	943	700	2 100	2 100	1 411	2 200	2 500	2 638
Catering: Departmental activities	956	2 418	1 423	2 370	2 555	2 257	2 910	3 179	3 354
Communication (G&S)	11 542	18 439	13 597	10 060	10 060	11 028	11 080	12 090	12 755
Computer services	4 160	17 589	20 682	22 000	21 700	23 680	16 000	16 660	17 634
Consultants and professional services: Business and advisory services	1 665	964	1 540	4 100	3 740	3 547	3 700	4 100	4 327
Legal services	4 362	6 562	6 434	5 032	5 032	7 470	7 000	7 385	7 791
Contractors	6 660	272	741	3 000	2 450	1 336	3 100	3 300	3 482
Fleet services (including government motor transport)	3 896	2 116	4 179	5 740	3 790	5 436	3 170	3 006	3 172
Inventory: Other supplies				8 852	8 852	8 150	4 878	3 083	9 573
Consumable supplies	1 599	421	999	420	1 300	1 294	525	580	612
Consumable: Stationery, printing and office supplies	2 565	3 715	2 050	7 660	6 460	4 710	8 370	8 832	9 307
Operating leases	637	2 041	2 052	400	2 610	2 380	3 240	3 753	3 960
Property payments	23 641	21 168	34 715	45 500	49 500	50 935	50 700	56 900	60 030

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transport provided: Departmental activity	413	641	92	110	360	110	120	127	134
Travel and subsistence	2 353	2 646	2 107	4 580	3 675	3 507	4 690	4 948	5 218
Training and development	5 771	8 601	8 095	18 000	18 000	11 546	17 200	19 222	20 290
Operating payments	239	27							
Venues and facilities	1 580	1 644	1 839	2 050	3 550	2 928	2 155	2 271	2 396
Rental and hiring			390						
Interest and rent on land	458		11	60	60		60	63	66
Interest	458		11	60	60		60	63	66
Transfers and subsidies	169	948	610	550	610	610	550	580	613
Households	169	948	610	550	610	610	550	580	613
Social benefits	169	9	610	550	610	610	550	580	613
Other transfers to households		939							
Payments for capital assets	6 870	3 768	12 918	15 810	12 840	12 840	12 730	13 654	14 395
Buildings and other fixed structures									
Other fixed structures									
Machinery and equipment	6 870	3 568	12 707	11 810	9 040	9 040	12 170	13 063	13 771
Transport equipment	679	617	259	3 760	340	1 285	500	550	569
Other machinery and equipment	6 191	2 951	12 448	8 050	8 700	7 755	11 670	12 513	13 202
Software and other intangible assets		200	211	4 000	3 800	3 800	560	591	624
Payments for financial assets	37	3	40		50	50			
Total economic classification	239 213	262 914	293 658	359 104	360 954	355 146	370 347	394 870	431 455

TABLE 9.22: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	870 171	1 169 343	1 167 959	1 528 073	1 776 952	1 817 580	1 484 943	941 959	648 318
Compensation of employees	242 315	261 529	281 176	279 404	313 085	305 179	310 800	323 152	340 928
Salaries and wages	205 189	221 447	238 636	223 209	256 890	254 514	260 300	268 929	283 722
Social contributions	37 126	40 082	42 540	56 195	56 195	50 665	50 500	54 223	57 206
Goods and services	627 855	907 812	848 161	1 248 619	1 463 717	1 497 749	1 174 093	618 754	307 334
Administrative fees	439	303	208	180	180	218	165	185	195
Advertising	4 980	4 124	1 492	4 450	3 950	3 760	4 750	5 012	5 288
Minor assets	178	610	196		1 025	283	25	25	26
Catering: Departmental activities	77	164	59	120	185	108	190	225	237
Communication (G&S)	9	1 521	6		10	10			
Computer services	6								
Consultants and professional services:									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Business and advisory services									
Infrastructure and planning	13 270	15 082	17 835	30 100	32 698	31 088	36 267	2 110	2 226
Laboratory services	314	421	62		1 200	1 054	200	250	264
Legal services	5 278	7 768	8 709	3 050	5 900	9 847	4 060	4 290	4 526
Contractors	568 473	833 933	789 665	1 161 319	1 362 518	1 397 728	1 053 976	572 085	257 800
Agency and support / outsourced services									
Fleet services (including government motor transport)	858	769	1 044	5 835	1 596	1 358	3 585	3 579	3 776
Inventory: Clothing material and accessories	1 549	3 708	2 617	3 500	3 500	3 500			
Inventory: Fuel, oil and gas		1 082	368	5 000	5 000	5 000	1 500	1 650	1 815
Inventory: Materials and supplies	16 933	12 885	5 646	15 000	23 000	22 137	46 800	4 950	5 445
Consumable supplies	923	5 723	1 187		1 100	1 751	610	600	633
Consumable: Stationery, printing and office supplies	1 183	1 845	989	915	1 807	819	1 455	1 538	1 623
Operating leases		1 157	1 130		1 045	1 171	950	1 100	1 161
Property payments	6 258	6 376	8 694	11 000	11 000	9 370	11 000	12 000	12 660
Travel and subsistence	6 710	7 460	8 254	8 100	7 953	8 527	8 500	9 075	9 575
Training and development									
Operating payments		80							
Venues and facilities	417	534		50	50	20	60	80	84
Rental and hiring		2 267							
Interest and rent on land	1	2	38 622	50	150	14 652	50	53	56
Interest	1	2	38 622	50	150	14 652	50	53	56
Transfers and subsidies	5 625	10 027	118 799	8 670	8 670	38 103	9 110	6 188	6 573
Provinces and municipalities	1 079	1 581	1 751	2 500	2 500	2 500	2 500	2 800	3 000
Municipalities	1 079	1 581	1 751	2 500	2 500	2 500	2 500	2 800	3 000
Municipalities	1 079	1 581	1 751	2 500	2 500	2 500	2 500	2 800	3 000
Households	4 546	8 446	117 048	6 170	6 170	35 603	6 610	3 388	3 573
Social benefits	2 235	1 467	3 863	2 940	2 940	4 155	3 210	3 388	3 573
Other transfers to households	2 311	6 979	113 185	3 230	3 230	31 448	3 400		
Payments for capital assets	1 284 326	781 705	959 327	982 940	1 082 302	1 015 481	661 608	1 675 181	1 009 495
Buildings and other fixed structures	1 096 261	692 676	949 047	968 050	1 068 639	1 001 818	656 218	1 669 427	1 003 350
Other fixed structures	1 096 261	692 676	949 047	968 050	1 068 639	1 001 818	656 218	1 669 427	1 003 350
Machinery and equipment	187 928	89 029	10 280	14 890	13 663	13 663	5 390	5 754	6 145
Transport equipment	182 153	79 355	5 788	13 890	11 345	11 094	890	995	1 050
Other machinery and equipment	5 775	9 674	4 492	1 000	2 318	2 569	4 500	4 759	5 095
Software and other intangible assets	137								

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets	16 990	76	99		47	46			
Total economic classification	2 177 112	1 961 151	2 246 184	2 519 682	2 867 971	2 871 210	2 155 661	2 623 328	1 664 386

TABLE 9.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT OPERATIONS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	41 039	58 763	50 677	111 650	93 229	83 213	72 835	85 774	90 728
Compensation of employees	23 783	22 934	25 595	62 950	29 269	28 913	27 975	29 555	31 181
Salaries and wages	20 416	19 485	21 930	24 800	24 800	24 800	24 500	25 865	27 288
Social contributions	3 367	3 449	3 665	38 150	4 469	4 113	3 475	3 690	3 893
Goods and services	17 256	35 829	25 082	48 700	63 960	54 300	44 860	56 219	59 547
Advertising	241		122	320	120	120	340	359	379
Minor assets	13	4	1						
Catering: Departmental activities	352	46	178	50	50	50	50	50	53
Communication (G&S)		749							
Consultants and professional services: Business and advisory services	13 880	31 059	23 123	39 000	39 000	39 000	39 000	50 045	52 797
Legal services	1 507	2 229	74	2 000	2 000	1 526	2 500	2 638	2 783
Agency and support / outsourced services		290							
Fleet services (including government motor transport)	349	427	360	1 020	820	820	800	827	872
Consumable supplies	5	2							
Consumable: Stationery, printing and office supplies	209	18	16	450	360	360	450	475	501
Operating leases		271	720		800	1 274	820	876	1 161
Travel and subsistence	669	681	353	800	800	800	840	886	935
Venues and facilities	31	53	135	60	350	350	60	63	66
Transfers and subsidies	1 959 692	2 340 695	2 052 745	2 476 787	2 545 910	2 545 965	2 615 830	2 788 933	2 942 132
Public corporations and private enterprises	1 959 610	2 340 673	2 052 599	2 476 667	2 545 790	2 545 790	2 615 700	2 788 796	2 941 987
Private enterprises	1 959 610	2 340 673	2 052 599	2 476 667	2 545 790	2 545 790	2 615 700	2 788 796	2 941 987
Other transfers	1 959 610	2 340 673	2 052 599	2 476 667	2 545 790	2 545 790	2 615 700	2 788 796	2 941 987
Households	82	22	146	120	120	175	130	137	145
Social benefits	82	22	146	120	120	175	130	137	145
Payments for capital assets	18 437	17 055	10 077	680	80	9 740	80	90	95
Buildings and other fixed structures	17 826	16 599	10 046			9 660			
Buildings									
Other fixed structures	17 826	16 599	10 046			9 660			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Machinery and equipment	611	456	31	680	80	80	80	90	95
Transport equipment	433	315	31	680	80	80	80	90	95
Other machinery and equipment	178	141							
Payments for financial assets									
Total economic classification	2 019 168	2 416 513	2 113 499	2 589 117	2 639 219	2 638 918	2 688 745	2 874 797	3 032 955

TABLE 9.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRANSPORT REGULATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	192 747	263 931	272 376	292 377	293 518	293 518	337 183	367 943	400 475
Compensation of employees	137 808	152 871	162 724	171 700	171 700	171 700	208 996	232 692	257 788
Salaries and wages	118 667	131 074	139 107	144 700	144 700	144 700	175 996	196 936	220 065
Social contributions	19 141	21 797	23 617	27 000	27 000	27 000	33 000	35 756	37 723
Goods and services	54 939	111 060	109 652	120 527	121 668	121 668	128 037	135 093	142 520
Administrative fees	17	19	41	65	65	65	60	60	63
Advertising	290	159	10	450	690	690	450	475	501
Minor assets	931	890	149		30	30	360		
Catering: Departmental activities	240	84	25	100	100	100	100	110	116
Communication (G&S)	60	679	16	100	670	1 115	550	600	633
Computer services	351	1 886	1 800		1 300	1 920	800	800	900
Consultants and professional services:									
Business and advisory services	7 432								
Legal services	715	848	921	1 200	900	900	900	1 372	1 447
Contractors	914	2 291	1 509	4 960	4 960	3 018	3 075	3 296	3 478
Agency and support / outsourced services		332							
Fleet services (including government motor transport)	3 421	1 201	3 073	4 274	2 095	2 758	4 274	4 509	4 758
Inventory: Other supplies	2 708	3 414	4 864	7 700	6 770	6 168	7 100	7 475	7 886
Consumable supplies	136	107	2		210	79	40		
Consumable: Stationery, printing and office supplies	17 901	76 985	72 990	78 500	79 480	79 924	83 568	88 165	92 955
Operating leases	12 116	16 224	16 106	17 148	19 328	17 906	18 580	19 602	20 680
Property payments	6 274	4 811	7 027	4 420	3 460	5 303	6 560	6 921	7 301
Travel and subsistence	1 173	876	1 045	1 500	1 420	1 420	1 500	1 578	1 665
Operating payments	56	41							
Venues and facilities	204	213	74	110	190	272	120	130	137
Interest and rent on land				150	150	150	150	158	167
Interest				150	150	150	150	158	167

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Rent on land									
Transfers and subsidies	563	106	401	690	690	860	700	739	780
Households	563	106	401	690	690	860	700	739	780
Social benefits	549	106	401	690	690	860	70	74	78
Other transfers to households	14						630	665	702
Payments for capital assets	69 043	55 278	27 054	7 580	9 284	9 284	2 680	2 549	2 606
Buildings and other fixed structures	65 616	50 017	25 643	4 300	7 154	7 154	300		
Other fixed structures	65 616	50 017							
Machinery and equipment	3 427	5 243	1 411	1 480	1 630	1 630	1 380	1 450	1 530
Transport equipment	1 868	900	673	1 280	1 030	1 235	1 280	1 350	1 424
Other machinery and equipment	1 559	4 343	738	200	600	395	100	100	106
Software and other intangible assets		18		1 800	500	500	1 000	1 099	1 076
Payments for financial assets	4	7	94		9	9			
Total economic classification	262 357	319 322	299 925	300 647	303 501	303 671	340 563	371 231	403 861

TABLE 9.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTRAIN

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments									
Transfers and subsidies	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Departmental agencies and accounts	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Provide list of entities receiving transfers	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421
Payments for capital assets									
Payments for financial assets									
Total economic classification	1 561 451	2 812 089	1 833 694	1 945 268	1 945 268	1 945 268	2 153 314	2 271 746	2 394 421

TABLE 9.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC TRANSPORT OPERATIONS GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments									
Transfers and subsidies	1 849 789	2 035 389	2 315 535	2 306 888	2 376 011	2 376 011	2 436 074	2 599 291	2 742 249
Public corporations and private enterprises	1 849 789	2 035 389	2 315 535	2 306 888	2 376 011	2 376 011	2 436 074	2 599 291	2 742 249
Public corporations	1 849 789	2 035 389	2 315 535	2 306 888	2 376 011	2 376 011	2 436 074	2 599 291	2 742 249
Other transfers	1 849 789	2 035 389	2 315 535	2 306 888	2 376 011	2 376 011	2 436 074	2 599 291	2 742 249
Payments for capital assets									
Payments for financial assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Total economic classification	1 849 789	2 035 389	2 315 535	2 306 888	2 376 011	2 376 011	2 436 074	2 599 291	2 742 249

TABLE 9.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL ROADS MAINTENANCE GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	455 091	501 197	656 183	742 522	742 522	742 522	767 506	669 835	721 233
Goods and services	455 091	501 197	656 183	742 522	742 522	742 522	767 506	669 835	721 233
Contractors	455 091	501 197	656 183	742 522	742 522	742 522	767 506	669 835	721 233
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	455 091	501 197	656 183	742 522	742 522	742 522	767 506	669 835	721 233

TABLE 9.28: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EPWP INTEGRATED GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	2 516	2 449	6 504	6 490	6 490	6 490	6 386		
Goods and services	2 516	2 449	6 504	6 490	6 490	6 490	6 386		
Contractors	2 516	2 449	6 504	6 490	6 490	6 490	6 386		
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	2 516	2 449	6 504	6 490	6 490	6 490	6 386		

VOTE 10

DEPARTMENT OF COMMUNITY SAFETY

To be appropriated by vote in 2019/20	R 759 224 000
Responsible MEC	MEC for Community Safety
Administering Department	Department of Community Safety
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To realise Gauteng as a province where people feel, and are, safe.

Mission

To be an innovative, effective and proactive department that ensures the safety of communities through:

- Improving the quality of policing;
- Deepening meaningful community participation;
- Enhancing social crime prevention;
- Fostering integrity;
- Initiating and sustaining sound and supportive institutional arrangements;
- Promoting pedestrian safety;
- Intensifying traffic law enforcement; and
- Creating a safer road environment.

Strategic goals

The department exercises its powers and performs its duties and functions to pursue the following strategic goals:

- Effective, efficient and community-orientated policing; Reduction in levels of social crime; and Reduction in Road Fatalities.

Core functions and responsibilities

The core functions and responsibilities of the department are:

- To enhance police performance through continuous oversight and meaningful community participation;
- To enhance social crime prevention by addressing violence against women and children, mobilising youth and combatting the scourge of substance abuse and gangsterism; and
- To reduce road fatalities by improving pedestrian safety, traffic law enforcement and road safety education.

Main services

The core functions and responsibilities of the department are:

- To monitor police conduct;
- To oversee the effectiveness and efficiency of the province's law enforcement agencies;
- To promote good relations between the police and communities;
- To assess the effectiveness of visible policing;
- To record and investigate public complaints alleging police inefficiency;
- To mobilise all communities in the fight against crime;
- To promote social crime prevention through partnerships and other appropriate interventions; and
- To provide traffic services.

National Development Plan (NDP)

The National Development Plan (NDP) offers a long-term strategic perspective for creating a developmental state committed to fighting the triple scourge of poverty, unemployment and inequality. It presents a three-pronged strategy that focuses on social transformation, economic transformation and human-centred development. It sees safety as being the central bedrock on which these are founded.

The NDP characterises crime as a scourge that undermines the social fabric of the country and which slows down the democratic drive to create a better life for all. It also views crime as being destabilising as well as a threat to safety and security. It recognises that crime negatively affects economic growth because it leads to poor perceptions of staff safety. This threatens investment and deters job creation.

The department highlights the need to professionalise the police services, increase officers' crime-prevention skills and improve recruitment practices and training. Social crime prevention initiatives and community mobilisation efforts must be stepped up.

Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation

The budget reflects support for the Transformation, Modernisation and Re-industrialisation agenda of the new administration. It is aligned to the following pillars of the Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation:

- Accelerated Social Transformation;
- Transformation of the State and Governance;
- Modernisation of the Public Service; and
- Radical Economic Transformation.

Accelerated social transformation

The department's contribution to social transformation will be carried out in several ways. It will identify new initiatives to strengthen police oversight and intensify existing social crime-prevention initiatives such as violence against women and children (VAWAC). It will continue to mobilise communities against crime by conducting targeted crime perception management. It will enhance the oversight model on law enforcement agencies other than the South African Police Service (SAPS) such as the three Metropolitan Police Departments operating within the province. It will assist the police to reduce violent crimes also known as TRIO crimes which are robbery with aggravating circumstances, which include carjacking, house and business robbery.

The department will endeavour to reduce corruption within the law enforcement agencies (LEAs). It will refocus the Community Policing Forums (CPFs) as oversight agents by re-training and capacitating them. It will strengthen the involvement of ward councillors in policing by supporting and monitoring the Community Safety Forums (CSFs) and street committees.

The department will focus on traffic law enforcement and road safety education. It will continue to facilitate the reduction in the province's road accident fatalities. In addition, it will also manage taxi violence more effectively by establishing provincial taxi violence task team as and when the need arises. It will focus on traffic law enforcement and road safety education.

Transformation of the state and governance

The department's contribution to state transformation and governance is to:

- Intensify BATHO PELE programmes in the department through various interventions and awareness programmes;
- Facilitate the submission of financial e-Disclosures for senior management, deputy directors and officials in the Office of Chief Financial Officer;
- Facilitate awareness sessions for all employees on the promotion of an ethical environment;
- Improve impact assessments as well as performance monitoring and reporting on department programmes;
- Implement full-scale enterprise risk management models, budget-monitoring sessions and accurate reporting to relevant authorities;
- Monitor action plans for the fraud-prevention plan, strategic and operational risks and audit findings; and
- Establish an internal integrity office to fight fraud and corruption more effectively.

Modernisation of the public service

The department will contribute to modernise the public service by:

- Intensify the rollout of ESS to all permanent employees and utilization of Electronic Quarterly Performance Reporting System as part of service delivery integration in the Gauteng Province;
- Establishing an electronic Supply Chain Management process for completing RSLO1 to reduce turnaround times; and

- Improving the existing complaints-management system to enhance its capabilities and to support a fully integrated command centre as well as an onboard E-NATIS system in all the traffic management vehicles.

Radical economic transformation

The department will contribute to radical economic transformation by:

- Intensifying its affirmative procurement processes and procuring from co-operatives and other types of township enterprises;
- Continuous efforts to meet the 60-day turnaround time on the tenders above R500 000;
- Maintaining a 14-day turnaround time on the tenders below R500 000;
- Adhering to the 30-day payment rule which will assist businesses to flourish and grow; and
- Finding innovative ways to contribute to job creation in partnership with other programmes such as the Expanded Public Works Programme (EPWP).

External activities and events relevant to budget decisions

The main external activities and events relevant to budget decisions are:

- Implementing the Civilian Secretariat for Police Service Act, 2011 (Act No. 2 of 2011) and the Independent Police Investigative Directorate Act, 2011 (Act No. 1 of 2011);
- The demands of the Road Traffic Management Corporation (RTMC), especially in relation to the implementation of the Administrative adjudication of Road Traffic Offences Act, 1998 (Act No. 46 of 1998); and; draft Road Traffic Law Enforcement Code (NRTLEC);
- Programmes targeting violence against women and children
- Intensifying conviction rates through support in the provision of forensic capacity;
- Increasing of oversight capability to ensure more effective policing; and
- Improving social crime-prevention initiatives.

Acts, rules and regulations

The department derives its mandate chiefly from the following pieces of legislation and policies:

- The Civilian Secretariat for Police Service Act, 2011;
- The Independent Police Investigative Directorate Act, 2011;
- Intergovernmental Relations Framework Act, 2005;
- The Gauteng Transport Framework Revision Act, 2002;
- The Gauteng Public Passenger Road Transport Act, 2001;
- The National Land Transport Transition Act, 2000;
- The South African Police Service Amendment Act, 1998;
- The White Paper on Safety and Security, 1998;
- The Gauteng White Paper on Transport Policy, 1997;
- The National Crime Prevention Strategy, 1996;
- The White Paper on National Transport Policy, 1996;
- The National Road Traffic Act, 1996 (Act No. 93 of 1996), and
- The South African Police Service Act, 1995 (Act No. 68 of 1995).

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

Outcome: All people are and feel safe

The department intensified its efforts to hold law enforcement agencies accountable for integrating and coordinating traffic law enforcement, reduce road fatalities and support the SAPS crime prevention initiatives in the province and improve the quality of policing in the province through the Gauteng Information on Police Performance System's (GIPPS) sessions conducted at the police stations. In addition, the department undertook visits to the Metropolitan Police Departments and continued to monitor the implementation of the policing plan in contributing towards the achievement of the objectives of the Deliverology Project that included increasing the deployment of the police service and visibility to the public in high crime areas. Moreover, the findings and recommendations of the Citizens Perception of Safety Survey were disseminated to all law enforcement agencies and stakeholders for further execution.

Output 1: Reduction in priority crimes

The department continued with the implementation of service delivery projects 'Deliverology Programme' which put an emphasis on the need to change public perception and realities of safety in the province. The concept identifies a total of 40

police stations with a high rate of cases of crime reported. The department held a quarterly review session through the GIPPS as part of a monitoring mechanism to improve policing throughout the province. These sessions include SAPS focusing on 40 priority police stations and Metropolitan Police Departments (MPDS) as strategic and operational partners.

Complaints mechanisms

The department continued to monitor and evaluate police services in the province which included:

- The investigation of 228 service delivery complaints against law enforcement agencies;
- Follow-ups on priority cases;
- Monitoring the recommendations made by the Independent Police Investigative Directorate (IPID); and
- Conducting audits on Domestic Violence cases at 142 police stations and clusters.

The Independent Police Investigative Directorate (IPID) submitted 53 negative recommendations to SAPS involving 102 members for the period 1 April 2018 – 30 November 2018. To this end, disciplinary proceedings were initiated in all cases in terms of Section 30 (b) of the SAPS Disciplinary Regulations and progress will be reported in the fourth quarter of the financial year. Furthermore, 85 complaints were registered on the Investigation and Monitoring of Police and Citizen Complaints system (IMPACc) system and - of those complaints - 37 (i.e. 44 per cent) were finalised. The remaining 48 complaints will be finalised during Quarter 4 of the financial year. Therefore, in quarter four, investigations on all complaints will be finalised and a progress report on all disciplinary cases will be provided.

Dockets audited

The department audited 943 priority cases from 1 April 2018 until 30 November 2018. The audit process put more emphasis on the quality of the investigation as reflected in the docket. It also identified a trend and some of the cross-cutting challenges which included the following:

- Relief Commanders are not acknowledging the (b)clip in the dockets;
- Lists of stolen goods are not circulated;
- J88 is not attached in assault GBH cases;
- Feedback is not provided to the complainants; and
- Commanders are not making follow up on the instruction issued.

The department embarked on 1 200 docket audits pertaining to contact crimes. All dockets perused were closed cases. The purpose was to improve the investigation of crime. Furthermore, 1 500 docket audits were conducted on gender-based violence (GBV) cases where common trends were identified and evaluated, and recommendations were made to the SAPS. This process was aimed at assisting the SAPS with investigations and ensuring that the withdrawal of cases is minimised.

Policy and research

Five research projects were approved for the financial year 2018/19 and significant progress has been made on these identified research projects. A crime trend analysis study and an evaluation of the Deliverology Strategy - on the reduction of pedestrian fatalities and injuries in the identified hazardous locations in Gauteng - have been completed. Other research projects, such as an evaluation of the Gauteng Safety Strategy (GSS) and conducting comparative studies targeting countries that successfully dealt with corruption in LEAs, will be completed in the fourth quarter. Phase 2 of the Citizens Perception of Safety Survey was placed on hold until interventions has been implemented.

The department intends to implement Phase 2 of the survey in quarter 3 of the 2019/20 financial year once a service provider has been appointed. These relates to enhanced policing visibility emanating from deployment of police personnel and vehicles in the prioritised precincts. That said, however, this increase in resources has not resulted in the expected reduction in crime levels. The department continues to subject these interventions to intense oversight processes, which entail the following:

- GIPPS session with the 40 Stations every quarter;
- Implementation of GIPPS resolutions by stations;
- Introductions of Bi-weekly GIPPS;
- Unannounced visits conducted at 142 stations;
- QRS with the SAPS management
- Deployment of patrollers at malls during festive season period;
- Social crime preventions programmes implemented by CPFs,
- The closure of problematic liquor outlets; and
- CPFs assuming an oversight responsibility over local stations.

Output 2: Reduction in crimes against women and children

The rising number of domestic violence and sexual offenses cases in the province has propelled an increase in the number of GBV awareness sessions conducted and services provided. The department successfully held the 16 Days of Activism on No Violence Against Women and Children. The implementation of Violence Against Women and Children (VAWAC) programmes continued with the department forging partnerships with various stakeholders, such as the taxi industry, to address a general increase in violence against women and children.

Output 3: Social crime prevention

The department continued with the roll-out of educational community programs in partnership with stakeholders, i.e. SAPS, respective non-governmental organisations (NGOs) and faith-based organisations (FBOs). The aim of the programmes is to highlight the impact of the GBV in communities. Awareness campaigns were also undertaken in the form of roundtable discussions, community izimbizos and door-to-door surveys which were conducted in areas like the Boipatong and Orlando precincts. The victim empowerment centre was also launched at Boipatong SAPS as part of the department's effort to increase access by victims of GBV to support services.

Community Police Relations

The department continued to assess and support Community Police Forums (CPFs) and Community Safety Forums (CSFs). A total of 141 CPFs were accessed during the period and the department will continue to support and access the functionality of these structures across the province.

Output 4: Crime perception management

The implementation of the IPID recommendations continued to be a catalyst for change in the behavioural patterns of SAPS members. G-LEAF meetings continued to take place on a quarterly basis, focusing primarily on the confiscation of counterfeit goods and drugs, illegal vendors, illegal occupation and hijacked buildings. This was not limited to the above-mentioned crime categories but also included other ad-hoc operations conducted by LEAs across the province such as cash-in-transit heists, taxi violence, the wide-spread killing of law enforcement officials and gang violence.

Output 5: Effectiveness and integration of the criminal justice system (CJS)

The implementation of the IPID recommendations continued to be a catalyst for change in the behavioural patterns of SAPS members. G-LEAF meetings continued to take place on a quarterly basis, focusing primarily on the confiscation of counterfeit goods and drugs, illegal vendors, illegal occupation and hijacked buildings. This was not limited to the above-mentioned crime categories but also included other ad-hoc operations conducted by LEAs across the province such as cash-in-transit heists, taxi violence, the wide-spread killing of Law Enforcement Officials and gang violence.

Output 6: Reduction in corruption

Twenty-two (22) Anti-Fraud and corruption and ethics awareness sessions for the period 1st April 2018 to 30th December 2018 were conducted with approximately 451 people reached. The vetting of traffic officials, Senior Management Service (SMS), Supply Chain and Financial Management officials remains a key priority for the department. The investigations on irregular expenditure and fraud detection were finalised. The department also conducted numerous inspections of Driver Licence Testing Centres (DLTCs) and Vehicle Testing Services (VTSs) across the province. These inspections were done through covert and overt operations to detect fraud and corruption.

Output 7: Reduction in road fatalities

The department heightened its law enforcement operations and road safety education programmes across the province aiming at curbing the sharp increase of road accidents reported on provincial and national roads in the province. As a result, the department recorded a 15 per cent decrease in road fatalities in the identified hazardous locations in the province.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

Outcome: All people are and feel safe

Output 1: Reduction in priority crimes

The department will continue with the implementation of a new policing plan that enables the department to monitor all 142 police stations in the province. There will be announced and unannounced police station visits to approximately 40 police stations which is also part of the implementation of the Deliverology Programme that aims to reduce crime by 50 per cent in Gauteng by 2019. GIPPS sessions will continue with all law enforcement agencies to improve policing in the province. In addition, the department will continue to investigate public complaints alleging police inefficiency in line with the provisions of section 206 (5) (a) of the Constitution of South Africa.

The department will continue to monitor compliance by the SAPS with the Domestic Violence Act and ensure that recommendations made by the department and IPID are fully implemented. To improve police visibility in all identified crime hot spots the department will roll out safety kiosks. Thus far, a total of nine kiosks have been received and these will, in the meantime, be deployed in the identified tertiary institutions as part of contributing to the improvement of students' safety in these centres. As soon as more kiosks are received, these will be deployed in the 40 prioritised precincts as initially planned.

Output 2: Reduction in crimes against women and children

The department will continue to ensure that the victim empowerment services - in the form of Victim Friendly Rooms (VFR) - are rendered at the various police stations across the province especially to the most vulnerable groups such as women, children, the elderly as well as persons living with disabilities. These services rendered by the victim empowerment services will be monitored to ensure that these adhere to the prescribed minimum norms and standards.

The department will intensify the psycho-social services programme to increase the reach and improve services rendered to the GBV victims which includes the training of the GBV victims sheltered at Ikhaya Lethemba one-stop services centre. The department will also intensify the roll-out of outreach programmes and support to GBV awareness campaigns and improve partnerships with various stakeholders including communities.

Output 3: Social crime prevention

The department will enhance the Youth Safety Programme by recruiting and establishing more youth to youth desk structures throughout the province. The support for the Substance Abuse Programme will continue with more young people being encouraged to access and benefit from this service. The department will host the Youth Summit and boot camps to deal with the prevalence of crime and substance abuse at school.

To deliver on its constitutional responsibility which relates to promoting good relations between the police and the community, the department will strengthen the social movement against crime through continued support to communities as well as the assessment of CPF and the patroller programme.

The department will continue to deploy patrollers in various safety programmes in the province to deal with the challenges of crime.

Output 4: Crime perception management

The department will continue to intensify its efforts on educating communities about road safety issues, services, community-police relations, stakeholder management sessions and economic opportunities. Key activities include hosting various events such as 16 days of Activism on No Violence Against Women and Children, Women's Month, Safety Month and Women's Day. In partnership with other departments, the department will continue to conduct research/surveys to measure public perception on issues of safety and public safety in particular.

As part of the public engagements the outreach programmes and marketing activities of the department will continue with a focus on raising awareness on the department's programmes and services. The media strategy has remained an area of strategic focus as the department enhances its efforts to mobilise communities and employees to encourage a sustainable safety ambassadorship.

Output 5: Effectiveness and integration of the criminal justice system (CJS)

The department will continue to coordinate the CJS joint monitoring session to improve collaboration and planning within G-LEAF. The Provincial Joint Operational Intelligence Structure (PROVJOINTS) will still be an operational component of the Criminal Justice Coordinating Committee. Case flow management meetings at Cluster level will be monitored to determine the level of cooperation and collaboration between agencies of the Criminal Justice System.

Output 6: Reduction in corruption

The department will continue to ensure a dedicated focus on the implementation of the anti-corruption strategies adopted by the provincial government as part of its arsenal in the battle against fraud and corruption relating to the province's law enforcement agencies. This will be achieved through the integrity strategy, fraud prevention plan and anti-corruption plan being implemented and monitored.

The Fraud And Anti-Corruption Unit will continue to conduct awareness sessions to educate employees on fraud and corruption matters. The Traffic Management Chief Directorate will conduct operations to deter fraud and corruption at DLTCs and VTSs through covert and overt operations.

Output 7: Reduction in road fatalities

The department will continue to carry out programmes to reduce road fatalities and conduct crime prevention operations. This includes road safety education programmes, road safety law enforcement operations, special services programme aiming to curb a sharp increase in road fatalities and an increase in TRIO crime recorded in the province. As part of the department's contribution towards the implementation of the Deliverology Programme they will continue to conduct joint operations with other law enforcement agencies.

Pedestrian fatalities remain the highest contributor in all categories of road users. This indicates that pedestrians are the most vulnerable group on our roads. The department aims to reduce pedestrian fatalities by 50 per cent in 2019 as part of the implementation of the "Deliverology programme".

The department will continue to prioritise communities in and around potential and statistically identified hazardous locations. Additional operations will be conducted on freight and public passenger transport focusing on overloading of heavy motor vehicles on provincial roads.

4. REPRIORITISATION

The department re-prioritised a total of R67.8 million to fund the implementation of the approved organisational structure which will include the insourcing of security and cleaning services. The department continues to implement cost-containment measures to ensure that funds are shifted towards the core priorities.

Programme 1: Administration

An amount of R33.9 million is re-prioritised to ensure that the department, in its entirety, functions effectively and efficiently in keeping with its constitutional and legislative mandate. This is done to implement the new structure and appoint cleaners and security officers on the permanent basis.

Programme 2: Provincial Secretariat for Police Service

An amount of R23.4 million is reprioritised towards the Community Policing Forums (CPFs) that play a vital role in promoting the safety of communities. This is done to undertake research on safety and security matters with the intention of improving safety and policing as well as making informed strategic decisions.

Programme 3: Traffic Management

An amount of R10.5 million is re-prioritised to improve and coordinate traffic law enforcement, reduce road fatalities and support the SAPS crime-prevention initiatives in the province.

5. PROCUREMENT

The department will continue to strengthen supply chain management processes with a primary focus on the improvement of asset management, the provision of the requisite capacity within the SCM division and continuous training. One of the key focus areas of the SCM unit in the 2019/20 financial year is to improve fleet management in the department in order to realise savings.

The department will continue to implement the Township Economic Revitalisation Strategy which involves the revitalisation of the township economy through affirmative procurement. During the 2019/20 financial year the major procurement to be undertaken is related to the provision of transport services, bullet-proof vests for traffic officers, equipment used by patrollers as well as training and development of CPFs. Some of these are a continuation of contracts entered into in the previous financial year.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 10.1: SUMMARY OF RECEIPTS: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	734 735	681 780	737 724	718 047	750 567	750 567	758 224	805 075	862 147
Conditional grants	1 345	1 800	1 463	1 448	1 448	1 448	1 000		
Total receipts	736 080	683 580	739 187	719 495	752 015	752 015	759 224	805 075	862 147

The department receives funding in the form of equitable share and conditional grants, as shown in the table above. The total budget appropriated increased by R3.1 million from R736.1 million in 2015/16 to R739.2 million in the 2017/18 financial year. The department received funding in the 2015/16 financial year from Road Traffic Management Corporation to reduce road fatalities.

The total equitable share increased from R718.1 million in 2018/19 main budget to R758.2 million in 2019/20 by 5.6 per cent to give effect to among others, the Civilian Secretariat for Police through continuous monitoring and oversight of police performance and conduct, to strengthen social crime prevention, to ensure that Community Policing Forums are functional and to reduce road fatalities.

Over the 2019 MTEF, the total receipts increases from R758.2 million in 2019/20 to R862.2 million in 2021/22 due to inflationary adjustments made to the equitable share.

The conditional grant allocated is the Social Sector Expanded Public Works Incentive Grant and amounts to R1 million in the 2019/20 financial year. It is used to pay stipends to patrollers.

6.2 Departmental receipts

TABLE 10.2: SUMMARY OF RECEIPTS: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	8 753	8 998	10 641	1 337	1 337	1 337	1 433	1 421	1 409
Transfers received		30							
Fines, penalties and forfeits	27 993	24 002	27 734	24 101	24 101	25 485	24 897	25 707	27 121
Interest, dividends and rent on land	17	13	47			3			
Transactions in financial assets and liabilities	7 447	7 706	7 011	8 807	8 807	3 588	9 450	10 489	11 066
Total departmental receipts	44 210	40 749	45 433	34 245	34 245	34 245	35 780	37 617	39 596

The department generates revenue mainly from traffic fines. Other revenue sources under transactions in financial assets and liabilities represent recovery of debt written off previously.

Sales of goods and services other than capital assets contributed R10.6 million to the total collection in the 2017/18 financial year. Fines, penalties and forfeits contributed the most revenue totalling R28 million in the 2017/18 financial year. Financial transactions in assets and liabilities contributed R7 million and this revenue item consists mainly of debt recovered from previous years' as well as transactions made to other institutions.

The estimated revenue amounts to R35.8 million in 2019/20 R37.6 million in 2020/21 and R39.6 million in the 2021/22 financial year. The increase is attributable to the review of revenue projections for the current and future periods, and not in line with the annual price escalations (CPI) index. The department is in the process of appointing a service provider to assist with revenue enhancement.

7. PAYMENT SUMMARY

7.1 Key assumptions

The following key assumptions were taken into account in formulating the 2019 MTEF estimates:

- The annual updating of policing needs and priorities for the province;
- The monitoring of the police service strategy to reduce crime and improve detective services;
- The continuation of the patroller programme and community police forums;
- The implementation of the Gauteng Rural Safety Plan;
- The establishment of the Civilian Secretariat Act;
- The implementation of the Domestic Violence Act;
- The implementation of the Provincial Social Crime Prevention Strategy, School Safety Programme and Sectoral, Integrity and the GPG Anti-Corruption Strategies;
- The Tshepo 1 million project youth employment accelerator programme; and
- The Deliverology project.

7.2 Programme summary

TABLE 10.3: SUMMARY OF PAYMENTS AND ESTIMATES: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	112 413	122 963	105 398	130 615	135 615	139 398	173 658	187 056	198 096
2. Provincial Secretariat For Police Service	147 239	139 885	177 684	185 464	181 393	161 190	168 875	176 424	186 128
3. Traffic Management	433 900	369 799	448 066	403 416	435 007	451 427	416 691	441 595	477 923
Total payments and estimates	693 552	632 647	731 148	719 495	752 015	752 015	759 224	805 075	862 147

7.3 Summary by economic classification

TABLE 10.4: SUMMARY OF ECONOMIC CLASSIFICATION: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	559 975	597 257	623 118	692 580	690 531	693 005	731 290	775 219	818 608
Compensation of employees	396 290	418 120	450 773	526 204	520 328	520 023	588 586	628 847	663 433
Goods and services	163 484	179 135	172 336	166 376	170 203	172 982	142 704	146 372	155 175
Interest and rent on land	201	2	9						
Transfers and subsidies to:	54 440	3 624	7 839	3 628	4 962	4 700	3 882	4 096	4 321
Provinces and municipalities	1 819	1 389	3 343	965	1 070	1 214	1 180	1 245	1 313
Public corporations and private enterprises									
Non-profit institutions	50 000								
Households	2 621	2 235	4 496	2 663	3 892	3 486	2 702	2 851	3 008
Payments for capital assets	79 062	31 629	99 805	23 287	56 394	54 242	24 052	25 760	39 218
Buildings and other fixed structures	440		50		8 900	8 900			
Machinery and equipment	78 622	31 554	99 738	23 287	47 494	45 342	24 052	25 760	39 218
Software and other intangible assets		75	17						
Payments for financial assets	75	137	386		128	68			
Total economic classification	693 552	632 647	731 148	719 495	752 015	752 015	759 224	805 075	862 147

The total actual expenditure grew by R37.6 million from R693.6 million in 2015/16 to R731.2 million in the 2017/18 financial year mainly owing to compensation of employees and payments for capital assets because of the need to ensure that staff are remunerated and to obtain G-fleet vehicles for traffic officers. The actual expenditure on compensation of employees increased over this period because of salary-related costs in line with the relevant wage agreements and the filling of vacant posts.

The actual expenditure on goods and services increased by R8.9 million from R163.5 million in 2015/16 to R172.3 million in the 2017/18 financial year which was as a result of the settlement of accruals relating to G-fleet and other operational costs such as the lease payments of office buildings, expenditure on fuel, the purchasing of uniforms for traffic officers and patrollers as well as the cost of the national roll-out of road safety campaigns.

In relation to actual transfer and subsidies, the actual payment declined by R46.6 million. This is attributable to a once-off transfer to a non-profit organisation in the 2015/16 financial year. Payments for capital assets increased by R20.7 million from R78.6 million in 2015/16 to R99.7 million in the 2017/18 financial year due to expenditure incurred on acquiring fleet services, motor vehicles and motorbikes.

Over the 2019 MTEF, the total budget increases by R102.9 million from R759.2 million in the 2019/20 to R862.2 million in the 2021/22 financial year with the Traffic Management Programme receiving the largest allocation owing to the need to reduce road fatalities in the province.

The compensation of employees' budget increases by 12 per cent from R526.2 million in 2018/19 to R588.6 million in the 2019/20 financial year to ensure the alignment of the budget with the implementation of the approved organisational structure. Over the 2019 MTEF, compensation of employees increases from R588.6 million in the 2019/20 financial year to R663.4 million in the 2021/22 financial year.

The budget allocated to goods and services increased by 8.1 per cent from R142.7 million in the 2019/20 financial year to R155.2 million in the 2021/22 financial year because of inflation. The main cost drivers under goods and services are fleet services and uniform because of the need to provide vehicles and uniform to traffic law officers and patrollers.

Transfer and subsidies increase from R3.9 million in 2019/20 to R4.3 million in the 2021/22 financial period. This is because of the payment of injury on duty claims and claims against the state.

Payment for capital assets increases by R15.2 million from R24 million in the 2019/20 to R39.2 million in the 2021/22 financial year. These funds will be utilised for the payment of the capital portion of the finance lease with G-fleet.

7.4 Infrastructure payments

7.4.1 Departmental Infrastructure payments

N/A

N/A

7.4.2 Departmental Public-Private Partnership (PPP) projects

N/A

7.5 Transfers

N/A

7.5.1 Transfers to other entities

N/A

7.5.2 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

The aim of the administration programme is to provide strategic direction to the department and support through corporate support, which includes human capital resources, financial management, supply chain management, risk management, legal services, strategic planning and monitoring and evaluation.

This programme is responsible for providing strategic administrative support to the entire department and supports both the office of the HOD and the MEC to enable them to exercise their powers better as well as to perform their duties and functions in keeping with the constitutional and legislative mandate of the department.

Programme objectives

- To provide effective and efficient intergovernmental relations and executive support;
- To provide integrated planning and institutional performance management support;
- To provide integrated anti-fraud and corruption and risk management co-ordination;
- To provide effective and efficient financial and supply chain management support, and
- To provide effective and efficient corporate services support.

Key policies, priorities and outputs

A range of policies, strategies and plans create the context for the development of the Gauteng Safety Strategy. Key amongst these are the NDP and all related labour policies:

- Provincial output: Improved governance and efficiency;
- GPG Pillar: Transformation of the state and governance, and
- Modernisation of the public service.

TABLE 10.5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The Mec	8 267	7 981	9 670	9 397	9 397	10 886	9 683	10 321	10 887
2. Office Of The Hod	18 721	17 823	16 531	18 853	18 853	20 353	22 279	23 953	25 272
3. Financial Management	22 237	21 048	21 277	21 247	21 247	21 431	38 401	41 248	43 516
4. Corporate Services	57 939	69 445	57 920	74 806	78 806	77 417	86 863	92 338	98 167
5. Legal	4 563	5 021		4 427	5 427	6 776	5 718	6 092	6 428
6. Security	686	1 645		1 885	1 885	2 535	10 714	13 104	13 826
Total payments and estimates	112 413	122 963	105 398	130 615	135 615	139 398	173 658	187 056	198 096

TABLE 10.6: SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	107 683	119 962	100 614	127 632	131 542	133 463	169 784	182 585	193 379
Compensation of employees	70 960	69 507	69 749	87 220	90 220	88 602	132 995	144 362	152 302
Goods and services	36 665	50 455	30 856	40 412	41 322	44 861	36 789	38 223	41 077
Interest and rent on land	58		9						
Transfers and subsidies to:	2 392	178	782		858	1 169			
Provinces and municipalities	1 599	157	272			144			
Households	793	21	510		858	1 025			
Payments for capital assets	2 338	2 815	3 993	2 983	3 215	4 766	3 874	4 471	4 717
Machinery and equipment	2 338	2 740	3 993	2 983	3 215	4 766	3 874	4 471	4 717
Software and other intangible assets		75							
Payments for financial assets		8	9						
Total economic classification	112 413	122 963	105 398	130 615	135 615	139 398	173 658	187 056	198 096

The actual total expenditure from the 2015/16 to the 2017/18 financial period has declined by R7 million from R112.4 million to R105.4 million owing to the reduction in the number of contract workers and vacant posts.

The actual expenditure incurred on goods and services declined from R36.7 million in 2015/16 to R30.9 million in the 2017/18 financial period. This is because of the implementation of cost-containment measures.

The total budget of the programme increased by R43 million from a main budget of R130.6 million in the 2018/19 financial year to R173.7 million in the 2019/20 financial year mainly because of the implementation of the approved organisational structure. Over the 2019 MTEF, the total budget of the programme increases from R173.7 million in 2019/20 to R198.1 million in the 2021/22 financial year to enable the programme to continue rendering the required administrative support to the entire department.

Over the 2019 MTEF, the compensation of employees budget increased by 15.1 per cent which is higher than the prescribed cost of living adjustment. It increases from R132.9 million in 2019/20 to R152.3 million in the 2021/22 financial year owing to planned recruitment. The increase is as a result of 58 newly created posts under the Office of the HOD, Office of the CFO, and Corporate Services based on the approved organisational structure. The department will insource non-essential services such as cleaning and security services in line with the decision made by the Executive Council.

The budget for goods and services over the 2019 MTEF increases from R36.9 million in the 2019/20 to R 41.1 million in the 2021/22 financial period. This is to ensure that the department improves administrative support, which includes operational expenditure such as payment of software licences, utilities, repairs and maintenance, lease of office equipment and office buildings. The department will have five corridors as per the approved organisational structure. Each corridor will have an impoundment facility and there will be one central impoundment facility as well as 15 service points to improve service delivery.

The budget for payments on capital assets amounts to R3.9 million for the 2019/20 financial year and is allocated for the procurement of information, communication technology equipment as well as the payment for fleet services.

PROGRAMME 2: PROVINCIAL SECRETARIAT for POLICE SERVICE

Programme description

The programme aims to give effect to the constitutional mandate of the department on the promotion of good relations between the police and the community. Communities are also mobilised through this programme, especially against the abuse of drugs and other dependence-producing substances by young people. The programme further provides for the promotion of social crime prevention of all communities in the province through the provision of education and awareness programmes relevant to crime prevention and focusing on prevention of violence against women and children in the province. In addition, the programme aims to enhance the empowerment of victims across the province, through the provision of a package of services such as counselling and medico-legal services at *Ikhaya Lethemba*, the province's flagship project in the battle against domestic violence and crimes against the most vulnerable members of our society.

Programme objectives

- Provide evidence-based knowledge of safety and security matters;
- Monitor and evaluate police conduct and performance;
- Strengthen the coordination of Gauteng Law Enforcement Agency Forum;
- Increase support interventions for victims and vulnerable groups, and
- Strengthen the social movement against crime.

Key policies, priorities and outputs

A range of policies, strategies and plans have provided the context for the development of the Gauteng Safety Strategy. Key amongst these are:

- National Development Plan;
- National Crime Prevention Strategy (NCPS), 1996;
- Vision 2055 (Global City Region Perspective);
- Gauteng Growth and Development Strategy;
- Strategic Agenda for Transport in Gauteng;
- Global Plan for the Decade for Road Safety (2011-2020);
- GPG Pillars: Accelerated social transformation; Modernisation of the public service;
- National and provincial SAPS targets;
- Provincial Outputs 1, 2, 3 and 5;

- Civilian Secretariat Act, 2011, and
- National Youth Commission Act, 1996.

TABLE 10.7: SUMMARY OF PAYMENTS AND ESTIMATES: PROVINCIAL SECRETARIAT FOR POLICE SERVICE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Programme Support	4 742	4 882	4 962	8 758	5 654	5 195	5 360	5 714	6 028
2. Policy And Research	8 388	4 795	4 662	9 462	10 391	9 927	9 994	10 602	11 185
3. Monitoring And Evaluation	38 091	21 849	25 109	34 452	34 452	34 759	34 379	37 049	39 087
4. Safety Promotion	53 280	66 382	98 478	83 754	78 754	70 675	75 072	78 377	82 689
5. Community Police Relations	42 738	41 977	44 473	49 038	52 142	40 634	44 070	44 682	47 139
Total payments and estimates	147 239	139 885	177 684	185 464	181 393	161 190	168 875	176 424	186 128

TABLE 10.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SECRETARIAT FOR POLICE SERVICE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	102 535	121 955	153 308	178 468	159 955	140 795	160 261	167 335	176 538
Compensation of employees	59 052	59 468	67 180	95 625	82 225	70 277	92 383	98 478	103 894
Goods and services	43 341	62 487	86 128	82 843	77 730	70 518	67 878	68 857	72 644
Interest and rent on land	142								
Transfers and subsidies to:	93	1 083	2 842	1 630	2 106	1 386	1 721	1 816	1 916
Provinces and municipalities		931	2 529	965	870	820	1 019	1 075	1 134
Non-profit institutions									
Households	93	152	313	665	1 236	566	702	741	782
Payments for capital assets	44 569	16 789	21 365	5 366	19 327	18 981	6 893	7 273	7 674
Buildings and other fixed structures	440		50		8 900	8 900			
Machinery and equipment	44 129	16 789	21 298	5 366	10 427	10 081	6 893	7 273	7 674
Payments for financial assets	42	58	169		5	28			
Total economic classification	147 239	139 885	177 684	185 464	181 393	161 190	168 875	176 424	186 128

The actual total expenditure of the programme increased by R30.4 million from R147.2 million in 2015/16 to R 177.7 million in the 2017/18 financial year with the Safety Promotion and Community Police Relations sub-programmes contributing the largest share. This is due to interventions such as overseeing the effectiveness and efficiency of the province's law enforcement agencies and enhancing social crime prevention by addressing violence against women and children, as well as combatting the scourge of substance abuse and gangsterism.

Actual expenditure on compensation of employees increased by R8.1 million from R59.1 million in 2015/16 to R67.2 million in the 2017/18 financial year. This is attributed to implementation of the wage agreement over the years and the appointment of additional contract workers while the department was waiting for the approval of the organisational structure.

Actual expenditure under goods and services increased by R42.8 million from R43.3 million in 2015/16 to R86.1 million in the 2017/18 financial year. The main cost drivers are maintenance of buildings, catering services for the victims of domestic violence housed at shelters, payment of patrollers, procurement of uniforms, training of patrollers, municipal services and fleet services.

The actual expenditure for the payment of capital assets has decreased by R23.2 million from R44.6 million in 2015/16 to R21.3 million in the 2017/18 financial year due to the decline in the procurement additional assets.

The budget appropriated to the programme increases by R17.2 million from R168.9 million in 2019/20 to R186.1 million in the 2021/22 financial period. In terms of the approved organisational structure, the programme has 31 newly created posts

and 36 contract workers resulting in an increase of R10.2 million from the 2018/19 adjustment budget to the 2019/20 budget allocated to compensation of employees.

The projected expenditure under goods and services decreases by R15 million from R82.8 million in the 2018/19 financial year to R67.9 million in the 2019/20 financial year due to the reprioritisation of funds to other programmes to implement the new organisational structure. The budget for payments on capital assets is allocated mainly to fleet services and the procurement of assets such as equipment.

SERVICE DELIVERY MEASURES

PROGRAMME 2: PROVINCIAL SECRETARIAT for POLICE SERVICE

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of research projects conducted	5	5	6	6
Number of research reports on policing per year	1	1		
Number of research seminars conducted	3	3	3	3
Number of publications produced	2	3	3	3
Number of research reports on special projects compiled	1	1	1	1
LEAs Performance Monitored	4	4	4	4
Priority Crime Dockets analysed and reported on	1 200	1 300	1 300	1 300
Number of monitoring reports compiled on implementation of IPID recommendations by SAPS per year	4	4	4	4
Number of Domestic Violence Act (DVA) compliance reports compiled per year	4	4	4	4
Number of reports compiled on the management of service delivery complaints received against SAPS per year	4	4	4	4
Annual report compiled on police stations monitored based on the NMT tool per year	4	4	4	4
Implementation of G-LEAF performance Plan monitored	4	4	4	4
Number of Customer satisfaction survey reports per year	1	1	1	1
Number of GBV closed dockets analysed	1 500	1 500	1 500	1 500
Family Justice Support services rendered to GBV victim rendered	12	12	12	12
Number of social crime prevention programmes implemented per year	9	946		
Number of Safety Programmes Implemented at schools	870	870		
Number of Holistic Psycho- social services rendered to Gender based violence victims	1 300	1 400		
Number of Community Police Forums assessed on functionality/Non-Functionality per year	142	142	142	142
Number of Community Safety Forums assessed on Functionality/Non-Functionality per year	11	11	11	11
Number of Community Patroller Teams assessed in line with the existing standards	100	100	100	100

PROGRAMME 3: TRAFFIC MANAGEMENT

Programme description

The main aim of the programme is to integrate and coordinate traffic law enforcement, reduce road fatalities and support the SAPS crime prevention initiatives in the province. The programme also takes responsibility for the enhancement and management of road-user knowledge, skills and attitudes (in particular pedestrian safety), public transport and freight law enforcement, taxi violence interventions, traffic management, overloaded freight vehicles and crime prevention. In addition, the programme provides traffic officer, examiner of motor vehicles and drivers licence training courses. The implementation of the Administrative Adjudication of Road Traffic Offences (AARTO) Act, Road Traffic Infringement Agency (RTIA) Act as well as the Road Traffic Management Corporation (RTMC) Act is also through this programme.

Programme objectives

- To enforce compliance with the legislation by all road users and traffic officers;
- To intensify road safety educational programmes targeting all road users, and
- To contribute towards a safer road environment.

Key policies, priorities and outputs

A range of policies, strategies and plans provide the context for the development of the Gauteng Safety Strategy. Key among these are:

- National Development Plan;
- National Crime Prevention Strategy;
- Vision 2055 (Global City Region Perspective);
- Gauteng Growth and Development Strategy;
- Strategic Agenda for Transport in Gauteng;
- Global Plan for the Decade for Road Safety (2011-2020);
- GPG Pillar: Accelerated social transformation, and
- Provincial Outputs 5 and 7.

TABLE 10.9: SUMMARY OF PAYMENTS AND ESTIMATES: TRAFFIC MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Traffic Law Enforcement	329 909	252 075	286 486	267 840	304 349	264 331	279 644	295 640	323 942
2. Special Services	18 805	25 921	24 771	33 909	28 991	27 272	30 937	32 948	34 760
3. Public Transport Inspectorate	36 258	42 128	73 940	42 771	42 771	90 302	45 649	48 617	51 291
4. Road Safety Promotion	48 928	49 675	62 869	58 896	58 896	69 522	60 461	64 390	67 930
Total payments and estimates	433 900	369 799	448 066	403 416	435 007	451 427	416 691	441 595	477 923

TABLE 10.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRAFFIC MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	349 757	355 340	369 196	386 480	399 034	418 747	401 245	425 299	448 691
Compensation of employees	266 278	289 145	313 844	343 359	347 883	361 144	363 208	386 007	407 237
Goods and services	83 478	66 193	55 352	43 121	51 151	57 603	38 037	39 292	41 454
Interest and rent on land	1	2							
Transfers and subsidies to:	51 955	2 363	4 215	1 998	1 998	2 145	2 161	2 280	2 405
Provinces and municipalities	220	301	542		200	250	161	170	179
Public corporations and private enterprises									
Non-profit institutions	50 000								
Households	1 735	2 062	3 673	1 998	1 798	1 895	2 000	2 110	2 226
Payments for capital assets	32 155	12 025	74 447	14 938	33 852	30 495	13 285	14 016	26 827
Buildings and other fixed structures									
Machinery and equipment	32 155	12 025	74 447	14 938	33 852	30 495	13 285	14 016	26 827
Payments for financial assets	33	71	208		123	40			
Total economic classification	433 900	369 799	448 066	403 416	435 007	451 427	416 691	441 595	477 923

The actual expenditure of the programme increased by R14.2 million from R433.9 million in 2015/16 to R448.1 million in the 2017/18 financial year. The department received a once-off amount in 2015/16 financial year from the Road Traffic Management Corporation to reduce road fatalities.

Actual expenditure on compensation of employees increased by R47.5million from R266.3 million in 2015/16 to R313.8 million in the 2017/18 financial year. This is mainly attributed to the appointment of additional traffic officers and the absorption of interns in the department to increase visibility of traffic law officers in the province.

Actual expenditure under goods and services has decreased by R28.1 million from R83.5 million in 2015/16 to R55.3 million in the 2017/18 financial year as the department did not renew the operating lease contract for the impounding facility.

Actual expenditure on transfer and subsidies decreased by R47.7 million from R52 million in 2015/16 to R4.2 million in the 2017/18 financial year. This is owing to the once-off allocation received which was transferred to a non-profit organisation to roll-out national road safety campaigns. Capital expenditure grew by R43.3 million from R32.2 million in 2015/16 to R74.4 million in the 2017/18 financial year, which is mainly because of the roll-over to fund fleet services and the purchasing of motor vehicles and motor bikes.

The budget allocated in the 2019/20 financial period increases by R13.2 million from R403.4 million in 2018/19 to R416.7 million in the 2019/20 financial year because of the reprioritisation of funding after the approval of organisational structure.

Over the 2019 MTEF, the total programme appropriation increases by R61.2 million from R416.7 million in 2019/20 to R477.9 million in the 2021/22 financial period to sustain the delivery of services. The department is in the process of obtaining the impoundment facilities in each of the five corridors

The compensation of employees budget increases by R44 million from R363.2 million in the 2019/20 to R407.2 million in the 2021/22 financial period. The programme has nine newly created posts and 232 traffic officers appointed on a contract basis relating to the Ntirishano projects.

Under goods and services, the department has projected to spend R38 million in the 2019/20 financial period and R41.5 million in 2021/22 financial period. This budget will be used mainly to pay for fleet services, the maintenance of speed machines, impoundment facilities and the procurement of uniforms for traffic officers.

The budget for payment for capital assets has increased by R13.5 million from R13.3 million in the 2019/20 financial period to R26.9 million in the 2021/22 financial period to fund the capital portion of the finance lease with G-fleet.

SERVICE DELIVERY MEASURES

PROGRAMME 3: TRAFFIC MANAGEMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
The number of compliance inspection conducted	170	170	170	170
Number of speed operations conducted	12 800	12 800	13 200	13 200
Number of vehicles stopped and checked.	1 006 236	1 106 900	1 162 300	1 220 415
Number of roadside check point operations conducted	5 336	5 500	5 510	5 510
Number of drunken driving operations conducted	1 212	1 300	1 500	1 500
Number of pedestrian operations conducted	1 650	1 700	1 700	1 700
Number crime prevention operations supporting other LEAs	3 000	3 500	4 000	4 000
Number of Public passengers' transport (including taxis) law enforcement operations targeting driver and vehicle fitness operating license and route compliance	3 000	4 000	4 200	4 200
Number of Law enforcement operations targeting learner transport.	350	360	370	370
Number of Vehicles weighed	200 000	220 000	240 000	240 000
Number of Road Safety awareness programmes conducted	1 350	1 400	1 500	1 500
Number of Schools involved in road Safety education programme	2 190	2 190	2 280	2 280

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 10.11: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

R thousands	Actual			Revised estimate			Medium-term expenditure estimate			Average annual growth over IMTEF								
	2015/16		2016/17	2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22				
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	% Costs of Total			
Salary level																		
1 – 6	741	149 696	747	157 335	680	197 680	681	154 040	686	162 391	686	168 852	686	168 852	0%	(5%)	29%	
7 – 10	441	175 789	398	155 101	372	186 673	372	229 266	517	250 746	517	267 985	517	267 985	12%	13%	39%	
11 – 12	60	36 352	54	45 591	44	44 623	45	50 199	80	53 863	80	57 675	80	57 675	21%	30%	8%	
13 – 16	28	23 129	28	30 150	20	28 751	20	36 908	31	37 894	31	40 107	31	40 107	16%	12%	6%	
Other	269	11 324	555	29 943	476	80 534	476	118 173	525	123 953	525	128 814	525	128 814	3%	17%	18%	
Total	1 539	396 290	1 782	418 120	1 592	520 023	1 594	588 586	1 839	628 847	1 839	663 433	1 839	663 433	5%	8%	100%	
Programme																		
1. Administration	227	70 960	224	69 507	227	88 602	227	132 995	322	144 362	322	152 302	322	152 302	12%	20%	21%	
2. Provincial Secretariat For Police Service	301	59 052	355	59 468	253	70 277	255	92 383	251	98 478	251	103 884	251	103 884	(1%)	14%	15%	
3. Traffic Management	1 011	266 278	1 203	289 145	1 112	361 144	1 112	363 208	1 266	386 007	1 266	407 237	1 266	407 237	4%	4%	64%	
Total	1 539	396 290	1 782	418 120	1 592	520 023	1 594	588 586	1 839	628 847	1 839	663 433	1 839	663 433	5%	8%	100%	
Employee dispensation classification																		
Social Services Professions	321		3	322	3	364	3	384	3	405	3	427	3	427	0%	5%	3%	
Engineering Professions and related occupations																		
Medical and related professionals	74		1	75	1	84	1	86	1	91	1	96	1	96	0%	5%	1%	
Educators and related professionals																		
1. Personnel numbers includes all filled posts together with those posts additional to the approved establishment																		

The table below depicts the breakdown per programme of the total personnel headcount against the corresponding budget allocated to compensation of employees over the 7 year period.

From the 2015/16 to the 2016/2017 financial year, the increase in the total personnel headcount from 1 539 to 1 782 respectively, was as a result of the intake of officials who completed both learnerships and internships. From the 2017/18 to the 2018/2019 financial years, the decrease in the total personnel headcount from 1 782 to 1 592 was as a result of the transfer of officials to the Road Traffic Management Corporation.

The total personnel headcount increases from 1 592 in the 2018/ 2019 financial year to 1 839 in the 2019/2020 financial year, as a result of the implementation of the approved organisational structure. This resulted in a 13 per cent increase in the compensation of employees' budget which increases from R520 million in 2018/19 to R588 million in the 2019/20 financial year to cater for the cost of living adjustment of the existing staff complement and additional appointments. Over the 2019 MTEF, the personnel headcount remains constant at 1 839 and the personnel budget grows on average by 8 per cent per annum due to provision made for the annual cost of living adjustment to the salaries of the existing staff complement.

9.2 Training

TABLE 10.12: INFORMATION ON TRAINING: DEPARTMENT OF COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	1 539	1 782	1 782	1 594	1 594	1 594	1 839	1 839	1 839
Number of personnel trained	587	687	1 261	1 453	1 453	1 453	845	891	891
of which									
Male	264	271	593	644	644	644	370	390	390
Female	323	416	668	809	809	809	475	501	501
Number of training opportunities	20	20	30	49	49	48	33	34	34
of which									
Tertiary	5	5	5	14	14	14	7	7	7
Workshops	15	15	20	35	35	34	21	22	22
Other			5				5	5	5
Number of bursaries offered	89		80	102	102	102	117	117	117
Number of interns appointed	45	54	70	70	70	70	70	70	70
Number of learnerships appointed									
Number of days spent on training	350	650	700	900	900	900	950	1 002	1 002
Payments on training by programme									
1. Administration	246	1 885	1 550	1 395	1 395	4 249	1 785	1 883	1 987
2. Provincial Secretariat For Police Service	604	8 944	8 901	7 892	7 892	4 424	3 922	3 693	3 896
3. Traffic Management	531	749	878			53			
Total payments on training	1 381	11 578	11 329	9 287	9 287	8 726	5 707	5 576	5 883

In the 2017/18 and the 2018/19 financial years, the employees were exposed to a variety of training programmes in line with developed and approved Workplace Skills Plan which is informed by performance development plans. This includes leadership programmes, generic and technical training as well as bursaries. In some instances employees attended more than one training programme. The interns also attended different training programmes in the quest to develop them for the workplace.

Over the 2019 MTEF the department will spend approximately R5.7 million in training which is inclusive of bursaries and this expenditure declines slightly to R4.5 million in the 2020/21 financial year.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 10.13: SPECIFICATION OF RECEIPTS: COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	8 753	8 998	10 641	1 337	1 337	1 337	1 433	1 421	1 409
Sale of goods and services produced by department (excluding capital assets)	8 753	8 998	10 641	1 337	1 337	1 337	1 433	1 421	1 409
Sales by market establishments	5 174	1 327	4 622	1 337	1 337	1 337	1 433	1 421	1 409
Other sales	3 579	7 671	6 019						
Of which									
Health patient fees	194	390							
Other (Specify)	204	206							
Other (Specify)	2 002	4 528							
Other (Specify)	625	2 547							
Transfers received from:		30							
Public corporations and private enterprises		30							
Fines, penalties and forfeits	27 993	24 002	27 734	24 101	24 101	25 485	24 897	25 707	27 121
Interest, dividends and rent on land	17	13	47			3			
Interest	17	13	47			3			
Sales of capital assets						3 832			
Transactions in financial assets and liabilities	7 447	7 706	7 011	8 807	8 807	3 588	9 450	10 489	11 066
Total departmental receipts	44 210	40 749	45 433	34 245	34 245	34 245	35 780	37 617	39 596

TABLE 10.14: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COMMUNITY SAFETY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	559 975	597 257	623 118	692 580	690 531	693 005	731 290	775 219	818 608
Compensation of employees	396 290	418 120	450 773	526 204	520 328	520 023	588 586	628 847	663 433
Salaries and wages	344 594	361 637	392 490	451 898	446 922	455 805	499 524	533 914	563 278
Social contributions	51 696	56 483	58 283	74 306	73 406	64 218	89 062	94 933	100 155
Goods and services	163 484	179 135	172 336	166 376	170 203	172 982	142 704	146 372	155 175
Administrative fees	334	358	879	385	1 606	763	1 139	1 201	1 266
Advertising	10 517	14 196	30 946	8 841	14 788	19 315	4 763	5 736	6 802
Minor assets	772	762	781	1 222	1 404	812	1 292	1 363	1 437
Audit cost: External	3 995	3 840	3 967	4 629	4 629	3 040	4 775	5 038	5 315
Bursaries: Employees	745	1 114	807	1 000	1 700	2 847	1 066	1 125	1 187
Catering: Departmental activities	5 768	9 328	12 552	5 367	3 943	7 455	5 563	5 870	6 193
Communication (G&S)	5 685	6 140	4 418	6 310	6 551	5 165	6 584	6 108	6 444
Computer services	2 047	6 807	4 334	7 377	7 264	3 943	6 057	5 168	5 453

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Consultants and professional services:									
Business and advisory services	497	1 634	1 058	3 740	6 595	6 820	2 528	2 575	2 716
Legal services	1 802	1 851	2 352	1 067	1 467	1 467	1 898	2 284	2 410
Contractors	9 174	6 155	23 304	13 572	17 108	16 985	13 726	14 464	15 259
Agency and support / outsourced services	7 124	11 800	4 396	10 269	4 439	3 580	3 853	4 048	4 271
Fleet services (including government motor transport)	46 856	27 742	28 756	26 612	33 720	34 014	22 390	23 620	24 920
Inventory: Clothing material and accessories	1 675	18 913	4 260	13 275	8 854	12 290	13 389	14 125	14 902
Inventory: Farming supplies									
Inventory: Food and food supplies	1 794	268				214			
Inventory: Fuel, oil and gas	36	3							
Inventory: Learner and teacher support material	356	459	78	190	190		143	151	159
Inventory: Materials and supplies	336	448	1	2 000	960	1 729	2 113	2 230	2 352
Inventory: Medical supplies	180	597	87	403	557	515	426	449	474
Inventory: Medicine				42	42	42	44	46	49
Inventory: Other supplies		102	562	671	1 710	1 408	710	749	790
Consumable supplies	3 590	4 800	3 931	3 936	4 177	3 613	3 923	4 245	4 481
Consumable: Stationery, printing and office supplies	3 551	3 949	3 943	3 817	2 867	2 874	4 239	4 471	4 718
Operating leases	29 515	21 359	8 854	11 045	10 720	2 360	10 656	11 242	11 860
Property payments	11 338	12 016	9 353	11 507	10 707	11 519	11 575	11 485	12 116
Transport provided: Departmental activity			5 012	5 380	2 458	3 445	3 850	3 171	3 346
Travel and subsistence	7 007	5 264	2 521	3 759	2 412	3 361	3 634	3 833	4 043
Training and development	1 381	4 976	7 163	9 287	9 807	8 321	5 707	4 476	4 722
Operating payments	437	270	391	57	647	1 153	545	575	606
Venues and facilities	2 227	6 682	4 857	5 599	5 823	10 990	4 108	4 941	5 214
Rental and hiring	4 745	7 302	2 774	5 017	3 058	2 942	2 008	1 583	1 670
Interest and rent on land	201	2	9						
Interest	201		9						
Rent on land		2							
Transfers and subsidies	54 440	3 624	7 839	3 628	4 962	4 700	3 882	4 096	4 321
Provinces and municipalities	1 819	1 389	3 343	965	1 070	1 214	1 180	1 245	1 313
Provinces		157	2 456						
Provincial agencies and funds		157	2 456						
Municipalities	1 819	1 232	887	965	1 070	1 214	1 180	1 245	1 313

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Municipal agencies and funds	1 819	1 232	887	965	1 070	1 214	1 180	1 245	1 313
Public corporations and private enterprises									
Private enterprises									
Other transfers									
Non-profit institutions	50 000								
Households	2 621	2 235	4 496	2 663	3 892	3 486	2 702	2 851	3 008
Social benefits	2 371	2 235	4 313	2 663	3 892	2 437	2 702	2 851	3 008
Other transfers to households	250		183			1 049			
Payments for capital assets	79 062	31 629	99 805	23 287	56 394	54 242	24 052	25 760	39 218
Buildings and other fixed structures	440		50		8 900	8 900			
Buildings	440		50						
Machinery and equipment	78 622	31 554	99 738	23 287	47 494	45 342	24 052	25 760	39 218
Transport equipment	75 766	28 210	80 839	20 069	44 276	41 587	19 113	20 550	33 722
Other machinery and equipment	2 857	3 344	18 899	3 218	3 218	3 755	4 939	5 210	5 496
Software and other intangible assets		75	17						
Payments for financial assets	75	137	386		128	68			
Total economic classification	693 552	632 647	731 148	719 495	752 015	752 015	759 224	805 075	862 147

TABLE 10.15: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	107 683	119 962	100 614	127 632	131 542	133 463	169 784	182 585	193 379
Compensation of employees	70 960	69 507	69 749	87 220	90 220	88 602	132 995	144 362	152 302
Salaries and wages	63 523	61 856	62 170	76 509	79 509	79 124	113 428	123 563	130 359
Social contributions	7 437	7 651	7 579	10 711	10 711	9 478	19 567	20 799	21 943
Goods and services	36 665	50 455	30 856	40 412	41 322	44 861	36 789	38 223	41 077
Administrative fees	192	178	126	225	226	546	239	252	265
Advertising	9 164	12 349	427	7 100	7 218	6 783	3 728	4 644	5 650
Minor assets	10	184	461	350	350	54	370	390	411
Audit cost: External	3 995	3 840	3 967	4 629	4 629	3 040	4 775	5 038	5 315
Bursaries: Employees	745	1 114	807	1 000	1 700	2 847	1 066	1 125	1 187
Catering: Departmental activities	1 555	2 752	2 310	515	266	1 610	399	422	446
Communication (G&S)	2 329	3 071	2 149	2 331	2 331	2 307	2 419	2 552	2 692
Computer services	2 047	6 806	4 319	6 519	6 406	3 442	5 150	4 211	4 443
Consultants and professional services: Business and advisory services	423	21	18			16			
Legal services	1 802	1 851	2 352	1 067	1 467	1 467	1 898	2 284	2 410

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Contractors	1 145	2 094	2 893	1 922	1 644	3 521	1 675	1 750	1 846
Agency and support / outsourced services	614	817	571	85	85	163	90	95	100
Fleet services (including government motor transport)	1 339	356	286	1 023	1 023	682	843	888	937
Inventory: Clothing material and accessories						48			
Inventory: Food and food supplies	54	99				10			
Inventory: Fuel, oil and gas	3								
Inventory: Learner and teacher support material		441							
Inventory: Materials and supplies	39		1						
Inventory: Medical supplies						9			
Inventory: Other supplies						40			
Consumable supplies	1 279	1 385	1 044	2 364	2 364	1 491	2 111	2 334	2 464
Consumable: Stationery, printing and office supplies	1 511	1 044	970	1 327	1 320	973	1 661	1 751	1 848
Operating leases	442	659	99	1 749	1 749	1 080	1 847	1 949	2 056
Property payments	5 495	6 107	3 528	4 241	4 241	4 904	3 870	3 638	3 838
Transport provided: Departmental activity			80		10	109	169	178	188
Travel and subsistence	752	768	848	1 356	1 356	1 210	1 148	1 210	1 276
Training and development	246	1 859	1 774	1 395	1 595	5 116	1 785	1 883	1 987
Operating payments	82	88	162	57	68	491	545	575	606
Venues and facilities	212	1 800	1 132	545	335	1 885	655	689	727
Rental and hiring	1 190	772	533	612	939	1 017	346	365	385
Interest and rent on land	58		9						
Interest	58		9						
Rent on land									
Transfers and subsidies	2 392	178	782		858	1 169			
Provinces and municipalities	1 599	157	272			144			
Provinces		157	272						
Provincial agencies and funds		157	272						
Households	793	21	510		858	1 025			
Social benefits	543	21	347		858	65			
Payments for capital assets	2 338	2 815	3 993	2 983	3 215	4 766	3 874	4 471	4 717
Machinery and equipment	2 338	2 740	3 993	2 983	3 215	4 766	3 874	4 471	4 717
Transport equipment	1 470	360	944	429	661	2 272	1 177	1 626	1 717
Other machinery and equipment	869	2 380	3 049	2 554	2 554	2 494	2 697	2 845	3 000

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Software and other intangible assets		75							
Payments for financial assets		8	9						
Total economic classification	112 413	122 963	105 398	130 615	135 615	139 398	173 658	187 056	198 096

TABLE 10.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SECRETARIAT FOR POLICE SERVICE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	102 535	121 955	153 308	178 468	159 955	140 795	160 261	167 335	176 538
Compensation of employees	59 052	59 468	67 180	95 625	82 225	70 277	92 383	98 478	103 894
Salaries and wages	53 930	54 120	60 905	86 041	73 541	63 697	80 893	86 119	90 855
Social contributions	5 122	5 348	6 275	9 584	8 684	6 580	11 490	12 359	13 039
Goods and services	43 341	62 487	86 128	82 843	77 730	70 518	67 878	68 857	72 644
Administrative fees	130	158	637	160	1 364	203	900	949	1 001
Advertising	1 330	1 530	20 569	936	4 905	3 015	1 035	1 092	1 152
Minor assets	62	498	320	872	872	676	922	973	1 026
Bursaries: Employees									
Catering: Departmental activities	4 076	6 358	9 330	4 852	2 952	5 029	5 164	5 448	5 747
Communication (G&S)	1 307	1 252	886	2 012	2 720	1 758	2 129	2 245	2 369
Computer services		1	15	858	858	501	907	957	1 010
Consultants and professional services: Business and advisory services	74	1 613	1 040	3 740	6 595	6 332	2 528	2 575	2 716
Contractors	5 454	2 912	19 034	11 150	14 477	11 971	11 051	11 659	12 300
Agency and support / outsourced services	4 110	4 338	3 328	9 526	4 354	3 417	2 767	2 902	3 062
Fleet services (including government motor transport)	16 044	8 247	8 972	6 075	5 641	4 554	6 314	6 661	7 028
Inventory: Clothing material and accessories		16 009	688	8 521	4 700	5 009	9 002	9 497	10 019
Inventory: Farming supplies									
Inventory: Food and food supplies	187	123				204			
Inventory: Fuel, oil and gas	30								
Inventory: Learner and teacher support material		18					143	151	159
Inventory: Materials and supplies	119	172		2 000	960	1 640	2 113	2 230	2 352
Inventory: Medical supplies	11	76	46	403	403	406	426	449	474
Inventory: Medicine				42	42	42	44	46	49
Inventory: Other supplies			463	671	671	342	710	749	790
Consumable supplies	1 482	2 577	1 702	1 498	1 499	1 232	1 734	1 829	1 930

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Consumable: Stationery, printing and office supplies	689	528	764	890	990	599	944	996	1 051
Operating leases									
Property payments	2 078	3 477	4 683	5 155	5 155	5 414	5 532	5 554	5 859
Transport provided: Departmental activity			4 882	5 380	2 419	3 306	3 681	2 993	3 158
Travel and subsistence	453	669	397	751	683	918	795	839	885
Training and development	604	2 367	3 220	7 892	8 060	3 152	3 922	2 593	2 735
Operating payments	355		178		579	662			
Venues and facilities	2 015	4 197	2 872	5 054	5 226	8 541	3 453	4 252	4 487
Rental and hiring	2 731	5 367	2 102	4 405	1 605	1 595	1 662	1 218	1 285
Interest and rent on land	142								
Interest	142								
Transfers and subsidies	93	1 083	2 842	1 630	2 106	1 386	1 721	1 816	1 916
Provinces and municipalities		931	2 529	965	870	820	1 019	1 075	1 134
Municipalities		931	887	965	870	820	1 019	1 075	1 134
Municipal agencies and funds		931	887	965	870	820	1 019	1 075	1 134
Households	93	152	313	665	1 236	566	702	741	782
Social benefits	93	152	308	665	1 236	477	702	741	782
Payments for capital assets	44 569	16 789	21 365	5 366	19 327	18 981	6 893	7 273	7 674
Buildings and other fixed structures	440		50		8 900	8 900			
Buildings	440		50						
Machinery and equipment	44 129	16 789	21 298	5 366	10 427	10 081	6 893	7 273	7 674
Transport equipment	44 119	16 369	20 188	4 702	9 763	8 835	4 651	4 908	5 178
Other machinery and equipment	10	420	1 110	664	664	1 246	2 242	2 365	2 496
Payments for financial assets	42	58	169		5	28			
Total economic classification	147 239	139 885	177 684	185 464	181 393	161 190	168 875	176 424	186 128

TABLE 10.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TRAFFIC MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	349 757	355 340	369 196	386 480	399 034	418 747	401 245	425 299	448 691
Compensation of employees	266 278	289 145	313 844	343 359	347 883	361 144	363 208	386 007	407 237
Salaries and wages	227 141	245 661	269 415	289 348	293 872	312 984	305 203	324 232	342 064
Social contributions	39 137	43 484	44 429	54 011	54 011	48 160	58 005	61 775	65 173
Goods and services	83 478	66 193	55 352	43 121	51 151	57 603	38 037	39 292	41 454
Administrative fees	12	22	116		16	14			
Advertising	23	317	9 950	805	2 665	9 517			
Minor assets	700	80			182	82			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Catering: Departmental activities	137	218	912		725	816			
Communication (G&S)	2 049	1 817	1 383	1 967	1 500	1 100	2 036	1 311	1 383
Contractors	2 575	1 149	1 377	500	987	1 493	1 000	1 055	1 113
Agency and support / outsourced services	2 400	6 645	497	658			996	1 051	1 109
Fleet services (including government motor transport)	29 473	19 139	19 498	19 514	27 056	28 778	15 233	16 071	16 955
Inventory: Clothing material and accessories	1 675	2 904	3 572	4 754	4 154	7 233	4 387	4 628	4 883
Inventory: Food and food supplies	1 553	46							
Inventory: Fuel, oil and gas	3	3							
Inventory: Learner and teacher support material	356		78	190	190				
Inventory: Materials and supplies	178	276				89			
Inventory: Medical supplies	169	521	41		154	100			
Inventory: Medicine									
Inventory: Other supplies		102	99		1 039	1 026			
Consumable supplies	829	838	1 185	74	314	890	78	82	87
Consumable: Stationery, printing and office supplies	1 351	2 377	2 209	1 600	557	1 302	1 634	1 724	1 819
Operating leases	29 073	20 700	8 755	9 296	8 971	1 280	8 809	9 293	9 804
Property payments	3 765	2 432	1 142	2 111	1 311	1 201	2 173	2 293	2 419
Travel and subsistence	5 802	3 827	1 276	1 652	373	1 233	1 691	1 784	1 882
Training and development	531	750	2 169		152	53			
Operating payments		182	51						
Venues and facilities		685	853		262	564			
Rental and hiring	824	1 163	139		514	330			
Interest and rent on land	1	2							
Interest	1								
Rent on land		2							
Transfers and subsidies	51 955	2 363	4 215	1 998	1 998	2 145	2 161	2 280	2 405
Provinces and municipalities	220	301	542		200	250	161	170	179
Provinces			542						
Provincial agencies and funds			542						
Municipalities	220	301			200	250	161	170	179
Municipal agencies and funds	220	301			200	250	161	170	179
Public corporations and private enterprises									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Private enterprises									
Other transfers									
Non-profit institutions	50 000								
Households	1 735	2 062	3 673	1 998	1 798	1 895	2 000	2 110	2 226
Social benefits	1 735	2 062	3 658	1 998	1 798	1 895	2 000	2 110	2 226
Other transfers to households			15						
Payments for capital assets	32 155	12 025	74 447	14 938	33 852	30 495	13 285	14 016	26 827
Buildings and other fixed structures									
Buildings									
Machinery and equipment	32 155	12 025	74 447	14 938	33 852	30 495	13 285	14 016	26 827
Transport equipment	30 177	11 481	59 707	14 938	33 852	30 480	13 285	14 016	26 827
Other machinery and equipment	1 978	544	14 740			15			
Payments for financial assets	33	71	208		123	40			
Total economic classification	433 900	369 799	448 066	403 416	435 007	451 427	416 691	441 595	477 923

TABLE 10.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL SECTOR EPWP INCENTIVE GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 345	1 789	974	1 448	1 448	1 448	1 000		
Compensation of employees	1 345	1 789	974	1 448	1 448	1 448	1 000		
Salaries and wages	1 345	1 789	974	1 448	1 448	1 448	1 000		
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	1 345	1 789	974	1 448	1 448	1 448	1 000		

VOTE 11

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

To be appropriated by vote in 2019/20	R 990 202 000
Responsible MEC	MEC for Agriculture and Rural Development
Administering Department	Department of Agriculture and Rural Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

An economically transformed agricultural sector and sustainable environmental management for healthy, food secure, developed rural and urban communities in Gauteng.

Mission

To radically modernise and transform agriculture, environment and rural development by:

- Promoting environmental protection and management;
- Expanding access to agricultural opportunities;
- Maximising food security;
- Up-scaling rural development;
- Promoting the One Health System; and
- Supporting sustainable livelihoods and communities.

Values

Developing synergy and working towards a common goal. The values of the GDARD include:

- Integrity;
- Commitment;
- Accountability;
- Respect;
- Empowerment;
- Team orientation;
- Trend setting; and
- Responsiveness.

Strategic Goals

- A modernised and transformed agricultural sector increasing food security, economic inclusion and equality;
- Sustainable natural resource management;
- Enhanced capacity within the GDARD to implement projects effectively; and
- Enhanced capacity of the GDARD to implement effectively.

Core functions and Responsibilities

The mandate of the department is derived from the Constitution of the Republic of South Africa. The department is required to:

- Ensure an environment that supports human well-being;
- Conserve the environment;
- Ensure provision of sufficient food and water;
- Ensure provision of veterinary services in the province;
- Provincial planning;
- Pollution control;
- Regional planning and development;

- Urban and rural development; as well as
- Local government matters related to, among others, air pollution, municipal planning, noise pollution, refuse removal, refuse dumps and solid waste disposal.

Main services

The department's focus is on harnessing and maximising the economic potential of the province's agricultural sector and ensuring food security for all. Agriculture has been identified as one of the province's eleven key economic sectors. Nationally, the sector is set to create one million jobs by 2030. The department will ensure that the sector is involved with all interventions to radically transform, modernise and reindustrialise Gauteng.

Specific activities include:

- Driving the transformation agenda that seeks to reindustrialise and modernise agricultural value chains;
- Establishing incubation farms and programmes for agro-processing and primary agriculture;
- Developing structured capacity building and mentorship programmes for farmers to deal with current realities;
- Forming strategic partnerships and alliances to reindustrialise the province's agricultural sector through escalation of investment in the agro-processing sector;
- Encouraging the establishment of individual homestead or backyard gardens to serve mainly the province's resource-poor communities. The target groups include the elderly, the unemployed, women, youth, and people with disabilities and HIV & AIDS affected/infected households;
- Creating an interactive electronic platform for exchange of market information and interaction between role players across various value chains;
- Ensuring a state veterinary service that offers both a regulatory and developmental public service that enables trade in livestock and livestock products, veterinary public health, biosecurity, animal welfare and animal disease control, and a primary animal health care service in townships, informal settlements and emerging livestock producers;
- Ensuring veterinary services that offer a regulatory service trade facilitation, veterinary public health, biosecurity and animal disease control and a primary animal health care service in townships, informal settlements and emerging livestock producers with the aim of realising the National Development Plan 2030 vision as well as the GPG Ten Pillar Programme of Transformation, Modernisation and Re-Industrialisation of the Gauteng economy and society;
- Ecological management of six provincial nature reserves and communities living near the reserves and parks through programmes: Community-based Natural Resource Management, Environmental Education and promoting Eco-Tourism;
- Issuing nature conservation permits for live game, hunting and fishing licenses to the general public, traders and hunters;
- Conducting ecological research in order to provide decision-support to all internal and external stakeholders in the province;
- Developing provincial spatial planning tools such as the Provincial Conservation Plan and bioregional plans;
- Issuing environmental authorisations in terms of the National Environmental Management Act (NEMA) (No. 107 of 1998);
- Issuing certificates for the export of animals and animal products;
- Providing environmental management that is responsible for air quality management, waste management, environmental impact management, conservation and sustainable use of biodiversity. The department's strategic approach and its location within the economic sub-committee has helped to enlarge the interpretation of its environmental management and protection mandate to include a focus on supporting and facilitating;
- Sustainable development of green and environmentally friendly and sustainable technologies and processes for energy security;
- Enabling increased participation by historically-disadvantaged individuals and communities in environmental management and protection;
- Coordination with other GPG departments and municipalities to contribute to rural development in the province;
- Contributing to the implementation of the Gauteng Rural Social Compact Plan by assisting signatories on the plan to implement their projects; and
- Conducting awareness sessions on BBBEE and AgriBEE to ensure that stakeholders understand the implications of changes brought about by the BBBEE Amendment Act, No 46 of 2013 and the current draft AgriBEE Sector Charter that is expected to be finalised and gazetted.

The new strategic approach of the GDARD and its location within the EXCO Economic sub-committee changes the interpretation of the environmental management and protection mandate of the department to include a focus on supporting and facilitating:

- Energy security including through the energy mix;
- Water availability;
- Diversion of waste from landfill and increasing recycling;
- Sustainable development including the development of green and environmentally friendly and sustainable technologies and processes;

- Responsible land use with priorities in the Gauteng Provincial EMF;
- Eco-tourism;
- Increased participation of previously-disadvantaged individuals and communities in environmental management and protection;
- A proactive role for the sector in radically transforming, modernising and re-industrialising Gauteng's economy;
- Spatial Transformation in the Gauteng City Region;
- Intergovernmental Sector coordination to enhance transformation and governance of the Gauteng City Region.

Ten Pillar Programme of Transformation, Modernisation and Re-Industrialisation

GDARD continues to align its initiatives and interventions with the province's TMR. The department responds to five of the programme's nine Pillars:

- Pillar 1: Radical Economic Transformation;
- Pillar 2: Decisive Spatial Transformation;
- Pillar 3: Accelerated Social Transformation;
- Pillar 6: Modernisation of the Economy; and
- Pillar 7: Modernisation of Human Settlements and Urban Development.

A modernised and transformed agricultural sector increasing food security, economic inclusion and equality

- Maximise and harness the growth and job creating potential of the agricultural sector;
- Increase food security for all and ensure the sustainability thereof;
- Facilitate broad-based participation in the agricultural sector by rigorously including women, youth and persons with disabilities, SMMEs, co-operatives and township entrepreneurs;
- Support and co-ordinate comprehensive rural development; and
- Ensure viable and sustainable economic agricultural enterprises.

Sustainable Natural Resource Management

- Protect and manage Gauteng's natural resources and environment;
- Advance eco-tourism in the Gauteng province;
- Promote good waste management, including diversion of waste from landfill through maximising recycling and to contribute to sustainable employment;
- Support the development and utilisation of green technologies and processes;
- Boost energy security, including through the development of suitable energy mix solutions;
- Lead the Gauteng Land Care Programme; and
- Lead the EPWP environment and culture Sector in the Province.

Major programmes and projects aligned with the TMR include:

- Development of Agri-parks which speak to re-industrialisation of the Gauteng City Region (GCR) and to the inclusion of youth and other previously excluded and historically-disadvantaged groups in farming and transforming the agriculture value chain;
- Agro-processing: Gauteng is not a substantially agricultural province; the central role in the value chain is through agro-processing. The department's initiatives are to provide quality infrastructure to harness agro-processing to support agro-prenuers through training and access to markets;
- Bio technology projects: in an effort to modernise the province, the department supports business incubation in biotechnology parks; and
- Urban Agriculture: with increased poverty and continuous migration to the Gauteng province the department seeks to consider urban agriculture as an impetus to food security, particularly because there is not sufficient land for traditional agricultural activities;
- Nguni Beef Genetics Farmer Development Program: In line with the African custom of 'Mafisa', the department continues to facilitate the development of commercial and registered beef breeders, who at the end of a five-year period, can return the loaned animals to Government to enable other farmers to benefit from the same program.

National Development Plan

Apart from the alignment of its programmes and policies to the GPG TMR, the department also ensures alignment to the National development Plan (NDP).

- Economy and Employment: Rolling-out of skills development for farmers linked to the farming infrastructure investments of the department such as hydroponics and pack houses;

- Economic infrastructure: Revamping the Vereeniging fresh produce market, investments in vegetable tunnels in the Agri-parks, Randfontein Milling plant and De Deur Greenhouse;
- Inclusive Rural Economy: Facilitation of Bantu Bonke pack house in Heidelberg with hydroponics structures; creation of a BBE deal for farm workers in the tropical mushroom farm in the Magaliesburg area; and
- Environmental Sustainability: Implementing clean-up campaigns such as Bontle ke Botho (BKB).

External activities and events relevant to budget decisions

Climate change presents a significant future challenge to maintaining agricultural production in South Africa. In response to this challenge, the department will be implementing climate smart agricultural practices. The agricultural value-chain in Gauteng reflects historic ownership and participation patterns with the dominance of a limited number of large commercial industry players. At the periphery of the mainstream economy are smallholder enterprises, involved in primary agricultural activities, with many of these enterprises struggling to operate sustainable and viable businesses. These enterprises suffer from a lack of resources, knowledge, and skills that are preventing them from entering the mainstream markets and reaping socio-economic benefits.

The zoo-sanitary status of the province and indeed that of the entire country, rests upon the ability of the State, in partnership and collaboration with the livestock farming fraternity, to be able to respond timeously to any disease outbreak. The 2017/18 outbreak of Highly Pathogenic Avian Influenza (HPAI) H5N8 strain, which began in Mpumalanga, ultimately spread to all but one province in the country. In Gauteng the virus affected both commercial layer-poultry, and wild birds. The country also experienced a major outbreak of Listeriosis, which unfortunately resulted in the death of more than 200 people. The source of the outbreak was associated with ready-to-eat processed meat linked to a facility in Polokwane. Heightened surveillance in Gauteng abattoirs did not identify the ST6 strain isolated from the outbreak cases. This outbreak exposed many gaps in the hygiene and safety controls of animal derived processed products. These gaps are receiving the necessary attention. An unintended consequence of this outbreak of *Listeria monocytogenes* ST6 was the immediate collapse of the market price for pork, which seriously affected the profitability and viability of pork producers, particularly the small-scale producers. Consumers had mistakenly associated the outbreak of Listeriosis with pork products, yet the affected processed meats did not contain any pork.

The Gauteng Environmental Management Framework identified activities to be excluded from the regulatory requirements of an environmental authorisation. GDARD will implement the National Environmental Management Act (NEMA) exclusions and standards for excluded activities in Zone 1 (Urban Development Zone), and Zone 5 (Industrial Development Zone) of the Gauteng Provincial Environmental Management Framework (EMF) to streamline legislation. The development of the Gauteng Environment Outlook Report 2018 will enable Gauteng to determine environmental sustainability indicators that need to be prioritised in the GCR and formulate the necessary policies. This will enhance sustainable development in the Gauteng City Region. GDARD will support the spatial development of the province by ensuring that spatial practices maintain a balance between the socio-spatial and ecological systems in order to maximize the use and functioning of eco-system services in the built environment.

In 2013, 2014 and 2015 the quantities of general waste and non-hazardous waste (as reported in the Gauteng Waste Information System [GWIS]) more than doubled to 14.38 million tons, 15.60 million tons, and 14.23 million tons respectively, from the levels reported in 2010. In the same period 32 percent, 35 percent, and 22 percent of general waste, respectively, was diverted from landfill or recycled. GDARD will therefore be mandating separation of waste at source to reduce waste to landfill. The department will, with the support of waste management cooperatives, buyback centres and waste pickers, facilitate increased participation in the formal waste sector.

Acts, rules and regulations

- NEMA EIA Regulations, 2014 (Government Notice R982 of December 2014) and Listing Notice 1, 2 and 3;
- NEMA EIA Regulations (Government Notice R546 of June 2010) and Listing Notice 1, 2 and 3;
- National Environmental Management: Waste Act, 2008 (Act 59 of 2008);
- National Environmental Management: Air Quality Act, 2004 (Act 39 of 2004);
- Gauteng Waste Information Regulations, 2004;
- Gauteng Health Care Waste Management Regulations, 2004;
- National Environment Management: Biodiversity Act, 2004 (Act 10 of 2004);
- National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003);
- Disaster Management Act (Act 57 of 2002);
- Animal Identification Act (Act 6 of 2002);
- Meat Safety Act, 2000 (Act 40 of 2000);
- National Heritage Resources Act, 1999 (Act 25 of 1999);
- World Heritage Convention Act, 1999 (Act 49 of 1999);
- Gauteng Noise Control Regulations, 1999;
- National Environment Management Act, 1998 (Act 107 of 1998);

- National Water Act, 1998 (Act 36 of 1998);
- Agriculture Products Standards Act, 1990 (Act 1990);
- Environment Conservation Act, 1989 (Act 73 of 1989);
- Animal Diseases Act, 1984 (Act 35 of 1984);
- Endangered and Rare Species of Fauna and Flora, (1984);
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983);
- Perishable Products Export Control Act, 1983 (Act 9 of 1983);
- Nature Conservation Act;
- Nature Conservation Ordinance, 1983 (Ordinance 12 of 1983);
- Gauteng Nature Conservation Regulations, (1983);
- Veterinary and Para-Veterinary Professions Act, 1982 (Act 19 of 1982);
- Plant Breeders' Rights Act, 1976 (Act 15 of 1976);
- Plant Improvement Act, 1976 (Act 53 of 1976);
- Hazardous Substances Act, 1973 (Act 15 of 1973);
- Subdivision of Agricultural Land Act, 1970 (Act 10 of 1970);
- Medicines and Related Substances Control Act, (Act 101 of 1965);
- Animal Protection Act, (Act 71 of 1962);
- Stock Theft Act, (Act 57 of 1959);
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act 36 of 1947);
- Performing Animals Protection Act, (Act 24 of 1935);
- Aquaculture Bill;
- Policy directives;
- Land and Agrarian Reform Programme (LARP);
- National Comprehensive Rural Development Programme (CRDP) (2009);
- Gauteng Air Quality Management Plan (2008);
- National Biodiversity Strategy and Action Plan;
- National Waste Management Strategy;
- Land Care guidelines;
- Expanded Public Works Programme (EPWP) guidelines;
- Industrial Policy Action Plan (IPAP);
- National Development Plan (NDP);
- Agricultural Policy Action Plan (APAP);
- Comprehensive Agricultural Support Program (CASP);and
- National Veterinary Strategy.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

Pillar 1: Radical Economic Transformation

GDARD's Sustainable Resource Management (SRM)

No rehabilitation took place since the Conservation Agriculture (CA) tender for Nooitgedaght Land Care alien weeds and bankrupt bush projects was delayed due to supply chain management (SCM) processes which required probity audit. The tender was evaluated but no suitable service provider could be selected from the applications received and the tender will be cancelled awaiting re-advertising. In total, the Gauteng Junior Land Care project created 60 green jobs for the Schools Permaculture Project.

GDARD'S Farmer Support and Development (FSD)

A total number of 197 smallholder farmers/producers were supported to enhance their production. Collaboration with other stakeholders mainly the municipalities NGOs and various provincial departments resulted in the targets set being met and exceeded. Furthermore, a total number of 70 women farmers were supported due to the availability of resources such as poultry feeds, day old chicks and transportation. Access to resources (stock, chickens and feeds) and the targeting of projects owned by women yielded results far beyond expectations. In addition, a total of 120 small scale farmers were supported by the Sedibeng and Westrand municipalities.

A total of 3 526 households benefited from food production initiatives. The availability of resources and collaboration with Ward Councillors, municipal officials, and Community Development Workers ensured that support was provided in the form of vegetable production inputs.

53 school food gardens were supported. This was achieved through availability of resources and cooperation with the Gauteng Department of Education which assisted the Food Security Unit in exceeding its target. Furthermore, a total of 592 women benefited from community food gardens.

The department managed to train 44 commercial farmers which was achieved thanks to advocacy campaigns conducted by the department. A total of 222 smallholder farmers were provided with accredited training.

The following agricultural activities benefited directly from GDARD's Farmer Support and Development programmes: 1 878 smallholder producers received piggery production inputs, and a further 117 were supported by new community food garden projects in the Germiston, Randfontein and Pretoria regions.

Agricultural Economics Services

The responsibility of the Agricultural Economic Services (AES) programme is to increase agri-business support through entrepreneurial development, marketing services, value adding, production and resource economics. Provision of economic service assists departmental clients by providing accurate and up to date economic information enabling farmers to make an informed and timely decision. The department conducts these activities to promote economic growth with the aim of addressing unemployment, inequality and poverty.

The department provided 410 economic information responses to small-holder farmers in relation to access to finance, markets and food safety measures. Higher than anticipated attendance of the training session created an opportunity to communicate with both farmers and team members with the aim of improving productivity levels.

As agriculture plays a pivotal role in poverty eradication and job creation, access to the right information at the right time enables communities to make informed decisions which helps to ensure sustainable livelihoods for their members. The department also provided 631 agri-businesses with production of economic services to better inform decisions regarding their farms and produces.

Markets provide an opportunity for farm producers to contribute to the reduction of poverty through the income realised from sales of their produce. In turn, markets drive production as farmers strive to meet the demands of consumers in terms of quantity and quality that comply with the Agricultural Product Standard Act. A total of 24 agri-businesses were provided support, enabling them to access markets to sell their agricultural produce.

Veterinary services

A total of 66 126 tests were carried out on samples collected by field officials at the Onderstepoort Veterinary Research laboratory (formally known as Onderspoort Veterinary Institute). Veterinary interventions were lower than normal in the period under review due to a delay in procurement processes.

The Primary Animal Health Care (PAHC) program in GDARD seeks to improve access to targeted veterinary services for previously marginalised communities in townships and informal settlements, as well as offer technical knowledge skills and targeted clinical services to emerging resource-poor farmers. This is implemented via mobile or ambulatory veterinary clinics that service townships, while also performing scheduled herd health visits and vaccination campaigns or responding to call-outs from livestock farms in specific cases. Both commercial and emerging farmers are equally targeted for the regulatory disease control actions carried out by veterinary services, which includes testing for Brucellosis and Tuberculosis as well as vaccinations for livestock. A total of 91 629 primary animal health care interventions were rendered.

An amount of 8 156 epidemiological units for veterinary interventions were visited, while 82 241 mobile veterinary services were rendered in townships. Owing to the availability of vaccines and medicines 222 901 animal health regulatory interventions took place, meeting a higher demand from emerging and commercial farmers.

Pillar 2: Decisive Spatial Transformation

Biodiversity Management

A total of 9 680 permits were issued within legislated timeframes. This exceeded the target due to more applications being received than anticipated.

Compliance and enforcement

A total of 220 compliance inspections were conducted. Additionally, 80 administrative enforcement notices were issued for non-compliance with environmental legislation as more sites were found to be non-compliant.

34 S24G applications were finalised due to more S24G applications being received than anticipated. A total of 24 criminal investigations were finalised and handed over to the National Prosecuting Authority (NPA) for prosecution.

Environmental Quality Management

Out of the 331 Environmental Impact Assessment (EIAs) licenses received, 326 were finalised within legislated timeframe, which translates to 98 percent achievement. Certain applications concerned sensitive environments and required further

consultation with other organs of state causing a delay in the finalisation of such applications. 4 applications were issued with an atmospheric emission licence within legislated timeframes, translating to a performance of 100 per cent.

Pillar 3: Accelerated Social Transformation

Environmental Empowerment Services

A total of 157 awareness activities were conducted, which included camps, biodiversity education and career exhibitions with schools, BkB clean ups and tree planting with communities. Only 2 capacity building activities were conducted due to delays in the procurement processes.

Pillar 6: Modernisation of the Economy

GDARD's agriculture-related research and technology outcomes and targets

A total of 7 agriculture research projects were presented in which the department participated. Furthermore, the department supported 208 smallholder farmers who attended African Agri-Investment Indaba and NAMPO Agri-food fest.

Pillar 7: Modernisation of human settlements and urban development

Rural development

The purpose of this unit is to increase coordinated development and effective participation of stakeholders which includes comprehensive rural development; coordination of rural development initiatives from all GPG departments; Agri-BEE; and implementation of the Gauteng Rural Social Compact Plan. A total of 5 projects supporting Women in Agriculture and Rural Development (WARD); African Farmers of South Africa (AFASA); Youth in Agricultural and Rural Development (YARD); Farmers Network South Africa (FNSEA); and AgriGauteng were implemented with signatories of the Gauteng Rural Social Compact Plan. Furthermore, 9 stakeholders (GDARD, DRDLR, Gauteng Department of Social Development, Gauteng Department of Education, Gauteng Department of Health, Gauteng Department of Economic Development, Gauteng Department of Roads & Transport, eGov and SASSA) submitted their 2018/19 Rural Development plans.

Waste management

A total of 9 applications were issued with waste licences within legislated timeframes amounting to a success rate of 100 per cent. Furthermore, a total of 44 health care waste approvals and 521 waste certificates were issued.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

In the 2019/20 financial year, the department will continue, through its planned projects, to ensure high performance and enhanced service delivery; to position agriculture as a key sector in Gauteng's economic development; and to intensify efforts towards ensuring greater sustainable and utilisation of natural resources.

Research and Technology Development Services

The department seeks to take a leading role in partnerships within the farming community, and other Gauteng Provincial Government (GPG) departments and municipalities and will continue with the implementation of the Agriparks programme. The programme is aimed at enhancing agricultural productivity and competitiveness by exploiting the entire agricultural value-chain of identified high value agricultural commodities. This occurs within set parameters that guide sustainable use of the natural resources and modernisation of the sector.

The reviewed Gauteng Bio-economy strategy will further make a significant contribution to the economic transformation of the province through capacity building, generating and strengthening the bio-based businesses in Gauteng through the expansion and intensification of sustainable, climate-smart, and inclusive value chains in agriculture, healthcare, indigenous knowledge, industry and the environment. This will be implemented by combining existing regional strengths, expertise, access to renewable bio-resources, and investment in innovation and network creation.

The department will further support agricultural research through the Research Agenda programme by extending requests for proposals to science councils and institutions of higher learning. This will aid in addressing agricultural issues and promote sustainable agricultural production, to drive the development of new technologies, inputs, and techniques of production that increase agricultural productivity.

As part of the modernisation of the agricultural sector in the province, the department is planning to develop the Gauteng Agricultural Information Management System (GAIMS) enabling digitisation of agricultural services and to introduce the e-agriculture concept in line with the 4th industrial revolution. GAIMS will assist the department in digitising its farmers' database and allow online applications for agricultural services such as the Comprehensive Agricultural Support Programme (CASP) by clients along with other functionality.

Furthermore, the department will host the Agri Food Fest to transform and reindustrialise the agricultural sector. The Agri Food Fest is expected to bring together all agricultural industry role players, including farmers - the aim being to forge good working relations and demonstrate the latest innovations in agricultural technologies - assisting the sector to mitigate its current and future challenges.

Recent years have been characterised by the occurrence of frequent, intense, and widespread risks of disaster, climate change and climate variability, which disproportionately affect smallholder and small-scale farmers. Such occurrences have resulted in the change of rainfall patterns, decreased rainfall and delays in their onset of rainfall. In light of this, the Gauteng Department of Agriculture and Rural Development intends to increase the number of disaster-risk-reduction services. Amongst others : these services would entail agricultural disaster-risk-management awareness campaigns; dissemination of agricultural advisor reports; dissemination of extreme weather events; capacity building; and implementation of mitigation projects in order to ensure a resilient farming sector in the province. Furthermore, the department is expected to review its disaster-risk-management plan.

Farmer Support and Development

Piggery Farmers have been hardest hit by the lysteriosis diseases that affected the market price of products. This therefore requires that as a commodity group they be supported mainly with production inputs to enable them to increase and sustain production. Most piggery farmers have down-scaled their production and reduced the number of days that workers are working. Fortunately, with the departmental intervention there have been fewer jobs lost and fewer farmers that have gone out of business. The department is supporting farmers mainly with production inputs and feeds. More and more piggery farmers will be able to sustain production with the governmental support they are receiving as they enter the 2019/20 financial year.

Poultry production is also increasing after production was affected by a variety of diseases and a shortage of production stock on the market. Thanks to support in the form of production inputs the situation is gradually improving and the prospects for 2019/20 will be much improved.

The department assists farmers via the Comprehensive Agricultural Support Programme (CASP), in the form of primary production infrastructure such as piggery housing; poultry housing; boreholes; irrigation infrastructure and cattle-handling facilities. The department will also provide support through the mechanisation programme to ensure that farmers have access to machinery to enable increased productivity and production.

Farmer training and capacity building is key in ensuring that farmers can engage in meaningful and productive farming. The department provides both accredited and non-accredited training through insourcing of accredited service providers, and through study groups which are conducted by agricultural advisors and specialists.

The Food Security sub-programme will continue to render extension and advisory services to subsistence producers in the province. Beneficiaries will receive production inputs, such as vegetable seed, tools, compost, watering cans and hosepipes.

Veterinary Services

The winter season following the first outbreak of Highly Pathogenic Avian Influenza (HPAI) is always a critical period, as influenza viruses are known to lie dormant in the local bird populations, only to resurge as low temperatures predispose the spread of the virus. The HPAI (H5N8) strain isolated during last year's outbreak has already been detected in Gauteng. The farm was quickly placed under quarantine and the affected layer house depopulated. Consequently the outbreak on the farm in question seems to have been brought under control. However, vigilant surveillance will continue until the onset of spring when the risk of influenza theoretically declines.

The safeguarding of the supply of safe and hygienic food of animal origin will continue to receive heightened attention going forward. GDARD is working closely with both the Department of Health's public health unit, which is responsible for the control of safety and hygiene in the food retail chain - as well as the National Institute of Communicable Diseases, to address the food safety control gaps identified from the Listeriosis outbreak. This cooperation, in line with the One Health Approach to addressing the challenges presented by zoonotic conditions, will reduce the risk of food-borne infections, thus safeguarding consumer confidence in food products of animal origin.

The Compulsory Community Service programme continues to provide invaluable veterinary skills capacity that enables the province to extend veterinary services to previously-marginalized communities. As a result of the implementation of the primary animal health program, the health and productivity of the livestock production-value-chain is improving.

The development of Nguni (beef) genetics will continue to expand its reach to other farmers. 2 of the early beneficiaries of this project have produced pregnant heifers whose numbers were augmented with purchases to enable new, qualifying farmers to start their journey towards becoming commercial players in the supply of natural grass-fed beef to the market. This is a clear testament to the potential benefits that can be gained from government working together with farmers to develop other farmers.

Gauteng is engaged within the conceptualisation and consultation processes to lay the groundwork for the implementation of both residues, and antibiotic-resistance monitoring programmes that will guide policy making to safeguard livestock products earmarked for human consumption.

The contract veterinarians brought in to augment capacity to provide export certification services in line with the requirements of certain importing countries is proceeding well. The one-year contract for at least 3 of the 6 contract export certification veterinarians should be considered for extension, while the GDARD organisation structure is being finalised.

Pillar 2: Decisive Spatial Transformation

Gauteng's natural resources and environment protected

Compliance and Enforcement will continue monitoring environmental authorisation (EAs) by conducting proactive and reactive inspections. The last financial year saw a reduction in the number of non-compliances discovered during proactive and reactive inspections. This can be attributed to improved understanding of environmental legislation and an effort to comply with EAs by the regulated community. There will be continued focus on the use of criminal enforcement mechanisms to deter perpetual offenders. Improved coordination between the provincial Environmental Management Inspectorate (EMIs) and municipal EMIs will promote improved synergy between the two spheres of government in terms of compliance and enforcement. Training of municipal Environmental Health Practitioners as Environmental Management Inspectors in partnership with Tshwane University of Technology will continue.

Gauteng Environment Outlook Report

The Gauteng Province Environment Outlook Report (GPEO) 2017 is a report encompassing the condition or quality of the environment and offers the opportunity to envision how environment challenges will evolve and how the Gauteng Province should respond. Nine thematic chapters describe the current state of the environment in Gauteng. The nine thematic chapters are: Land; Water Management; Energy; Air Quality; Biodiversity; Climate Change; Human Settlements; Waste Management; and Environmental Governance. Uncertainty surrounding the state of our natural resources remains, largely due to inadequate monitoring programmes. The available information, however, calls for specific action to arrest the decline, or further support progress in each thematic area. Most important are immediate investigations concerning, or interventions in the fields of water security, loss of natural areas, sustainability in human settlements and the recovery of critical ecosystems. In 2019/20 and over the MTEF, the department will compile and publish an annual GPEO Environmental Trends Analysis Report. This will provide a means to track the environmental indicators that were measured in the GPEO and provide information to various stakeholders regarding whether environmental conditions are improving or declining in the province. This will assist policy makers in ensuring that they develop and implement effective policies to enhance sustainability in the province.

Gauteng Environmental Implementation Plan 2015-2020 (EIP)

The department developed and adopted the Gauteng Environmental Implementation Plan 2015-2020 (EIP). The EIP describes the policies, plans and programmes of state institutions that perform functions impacting on the environment, and how the institution's plan will comply with NEMA principles and National Environmental Norms and Standards. This will ensure that the city region has the necessary plans to maintain a careful balance between development imperatives and sustainable utilisation. The EIP was published for implementation in the Provincial Gazette in September 2016. The third annual compliance report has been finalised and adopted by the Accounting Officer, and a fourth annual compliance report will be completed in 2019/20 as part of the intergovernmental sector tools reviewed.

Climate Change Strategy

Gauteng is a significant contributor to greenhouse gas emissions and is also vulnerable to the impact of climate change with adverse effects on socio-economic conditions; water, food-security, health, natural resources and ecosystem services. The department completed the review of the Gauteng Climate Change Adaptation Strategy in 2016. This will be incorporated in the overarching climate change strategy that is awaiting approval by EXCO. The strategy will support project development to improve mitigation in support of low-carbon technologies. These must be employed to ensure that greenhouse gas emissions reach a peak, then begin to plateau and decline. The strategy will provide action plans to enhance the resilience of both the population and the economy to adapt to the effects of climate change. As part of the implementation of the GCR climate change response strategy and action plan, a research project - "Research to identify suitable technologies for Sustainable Urban Drainage Systems (SUDS) in the Gauteng City Region" - will be completed by March 2019. This project forms part of the projects identified in implementation of the action plan for the Gauteng City Region Climate Change Response Strategy.

Impact management

To ensure economic growth and attract investors to Gauteng, most environmental impact assessment (EIA) applications are finalised within 30 days. The Gauteng Provincial Environmental Management Framework requires the development of norms and standards to exclude certain listed activities in the EIA regulations from obtaining environmental authorisation. The Gauteng Environmental Management Framework (GPEMF) Standard was published and gazetted for implementation in 2017. The GPEMF Standard will support the department in the issuance of decisions within 30 days.

Biodiversity permits

Biodiversity permits for keeping, importing and exporting game products and plants, along with hunting game will continue to be issued to ensure the sustainable use of wildlife resources in Gauteng. This should stimulate the economy via pet shops, zoos, hunting farms, nurseries and similar entities that trade in wildlife based on the biodiversity permits issued.

Biodiversity research

To aid appropriate and responsible land use planning and development, biodiversity monitoring and research will continue to examine terrestrial and aquatic systems to lend support to ecological decision-making in terms of spatial development in Gauteng. Appropriate and responsible development within the natural system allows for the continuation of life-sustaining ecosystem services, such as fresh water and healthy soil that can support farming and promote crop pollination by insects. Research papers will be delivered by professional scientists as required by the Occupation Specific Dispensation of resolution of 2009.

People and Parks

The People and Parks program, whose purpose is to benefit communities who reside close to protected areas will be mainstreamed into the Biodiversity Management work of the department. Environmental education and awareness will continue in order to increase the public's knowledge of biodiversity challenges, and interventions that can take place in order to protect biodiversity in both protected areas and communities.

Biodiversity management contribution Smart government

A computerised Biodiversity Permit System (CBPS) will be fully operational by end of 2019/20 financial year. This will improve the ease of doing business with the department by those who participate in the trade of biological species and products.

Transformation of the Biodiversity Economy

The GDARD will continue to invest in the management and protection of the existing provincial protected, and the implementation of the Gauteng Protected Areas Expansion Strategy, by forming formal conservation areas with private land owners via the Gauteng Biodiversity Stewardship Programme. This will enable the department to manage the environment appropriately, and facilitate the continued existence of vital ecosystem services such as pollination services; nutrient cycling; and natural water sources that support food-security initiatives and a healthy human population; including carbon capture that supports improved air quality.

A game-donation policy will be developed and approved to facilitate greater participation by previously disadvantaged individuals in the game farming industry.

Air Quality management.

The 2009 Air Quality Management Programme (AQMP) has been reviewed and is currently under implementation for the next five years. The new AQMP will consider the current air quality, provincial pillars and GCR for future development. The intention is also to maximise and support monitoring of air quality through ambient monitoring stations. To this effect, a two-year contract enables three municipalities to generate credible data.

Pillar 3: Accelerated Social Transformation**GDARD's Food Security for All**

The increase in population caused by immigration into the province from other South African provinces and countries on the continent is putting a huge burden on food security in the province. The province of Gauteng is food secure at an aggregate level, however hunger and food insecurity are a daily reality for many people in the province. Food and nutrition insecurity remain unacceptably high in Gauteng, this despite the range of measures in place.

The role of agriculture in food production is firstly primary production, secondly processing and distribution. A healthy agricultural sector is important for food security and, with growing populations and an increasing demand for food, agricultural production will have to be significantly increased to meet those demands. The department will in 2019/2020 develop 50 community gardens and 50 school food gardens, as well as establish at least 3 000 backyard gardens.

There are a number of role players - such as commercial farmers, schools and community based organizations - who are involved in ensuring that there is food security in the province. Such role players need to be coordinated and therefore better coordination and monitoring are essential. With high national unemployment levels and over 15 million people receiving social grants, people do not have enough money to buy food – hence the agri-climate change also poses an unprecedented challenge to farmers, who must produce enough food to feed the growing population in the province.

Environmental Empowerment Services

For 2019/20 financial year, the department will continue to empower communities through the creation of 936 Expanded Public Works Programme work opportunities as well as providing 40 training opportunities for EPWP participants.

The GDARD targets 230 environmental awareness activities for 2019/20 to continue with community, youth groups and school groups empowerment. The continued implementation of the BKB programme, and the intensification of the BKB clean-up campaigns in different communities in the province are vital to promote recovery of waste at source through recycling projects by the department

Pillar 6: Modernisation of the economy

Agricultural Economics Services

The responsibility of Agricultural Economic Services (AES) programme is to provide economic support to internal and external clients with marketing, statistical information, including financial feasibility and economic viability studies. Agricultural economic services ensure that departmental clients have accurate and up to date economic information for farmers to make informed decisions in their farming businesses. The department conducts all these activities to promote economic growth with the aim to address the triple challenges of unemployment, inequality and poverty.

The department managed to provide 410 economic information responses to farmers in the province. The participation of more farmers in the training session than anticipated led to overachievement of the target over and above communicating with team members to improve on their productivity levels.

The department supported 631 agribusinesses with production economic services to make informed decisions on their farms about their produce. To date, 8 economic reports were compiled as planned. Access to markets provide an opportunity for farm producers to contribute towards alleviating poverty and inequality through the income generated from sales of their farm produce. In turn, markets drive production as farmers thrive to meet the demands of consumers in terms of quantity and quality to comply with Agricultural Product Standard Act. A total of 24 agribusinesses were supported to access markets which enabled them to sell their agricultural produce to the public.

Pillar 7: Modernisation of human settlements and urban development

Rural development targets and outcomes

GDARD will ensure all GPG departments implement their rural development plans as per Provincial Programme of Action. The demand for land will increase following the consultations by the Parliament's Constitutional Review Committee. GDARD will continue to liaise with the Department of Rural Development and Land Reform to ensure that land requests are addressed.

GDARD will support the Council of Stakeholders through capacity building to ensure that they are able to monitor implementation of projects in their respective rural nodes. Following the gazetting of the AgriBEE Sector Chart in 2017, its implementation by the industry will be in the spotlight. GDARD will be expected to assist the AgriBEE Charter Council in raising awareness. The department will also continue to support the Rural Social Compact Plan stakeholders to implement their projects.

Management of Gauteng provincial nature reserves and People and Parks Programme

The department will continue to create green jobs in nature reserves. Here, workers will gain experience in fire management projects, removal of alien plants and daily maintenance activities. Families will benefit from community-based natural resource management through the Thatch Grass Harvesting Programme.

Waste management

The department will issue waste management licences, Health care waste approvals, and waste certificates in the Gauteng Waste Information System within legislated timeframes; and process registrations for waste facilities in terms of the National Norms and Standards.

The department will support recycling facilities and buy-back centres with recycling equipment in the Gauteng Province; monitor previously supported recycling facilities and buy-back centres; monitor the implementation of Gauteng General Waste Collection Standards in Gauteng municipalities; train waste management recycling cooperatives; assist waste management recycling cooperatives to register with DTI; convene the quarterly Gauteng waste management forum; audit municipal landfill sites; and assist municipalities in improving cleanliness levels, particularly in CBD areas of metropolitan municipalities.

4. REPRIORITISATION

An amount of R18 million was reprioritised within the Land Care programme from cost containment items such as travel and subsistence. This will ensure that job creation and skills development for youth, people living with disability, and women within the natural resource sector, is achieved through EPWP and Community Based Natural Resources Management (CBNRM) programmes.

An amount of R10 million was re-prioritised within Agricultural Economics services to cover Agri-Business support through entrepreneurial development, value adding, production and resources economics. R1.5 million was allocated to the South African Bureau of Standards (SABS) and R1.5 million to the Perishable Product Export Control Board (PPECB) for training of smallholder farmers on food security and quality assurance.

In the Farmer Support and Development programme, R8 million was re-prioritised from farming supplies to cover for CoE for the 80 agricultural advisors programme, and some moved within the Farmer Settlement and Support unit to the Food Security unit for boreholes. The graduate programme in the department will assist farmers with primary production infrastructure such as piggery housing, poultry housing, boreholes, irrigation infrastructure and cattle-handling facilities. The department will also provide support through the mechanisation programme to ensure that farmers have access to machinery to enable increased productivity and production.

Projects under Research Technology Development Services amount to R15 million. The budget moved to contractors to provide for the Agric-Expos; Gauteng Agric-Food Festival; irrigation and borehole hardware and the maintenance of tractors for outsourced services. The agriculture mechanisation program is radically modernizing and transforming the agricultural landscape, which is informed by the Gauteng Agriculture and Development Strategy (GADS). This alludes to the pillar of ensuring food-security, efficiency and productivity of all farmers through mechanisation.

The R151 million allocated for Biodiversity Management will be spent on managing the Provincial Nature Reserves; issuing Biodiversity permits; expanding the conservation estate; conducting research; undertaking people and parks initiatives; and exploring transformation of the Biodiversity Economy in support of Decisive spatial transformation, including Radical economic transformation and Modernisation of the economy.

5. PROCUREMENT

The department continues to support small and medium farmers within the province by supplying them with production inputs for the maize and vegetable sectors, as well as inputs for poultry and piggery farmers. It further provides farming infrastructure to some farmers in the form of piggery and poultry structures. The department further assists farmers by erecting hydroponic tunnels and drilling boreholes. The department is also focused on the erection of Agri-Parks, as well as agro-processing through pack-houses and agro-machinery equipment, to support the mainstreaming of farmers. All these interventions continue to grow and develop Gauteng farmers and further ensure the strategy of food security.

The department has increased its capacity within SCM unit to assist with governance issues and to ensure that no irregularities occur when procuring. GDARD has also fully adhered to the National Treasury IDMS process and has over 35 approved PIR's that will now proceed to contracting stages. GDARD has also received approval from GPT to put in place framework agreements for professional services and contractors, which will assist GDARD in fast tracking its infrastructure projects.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

11.1: SUMMARY OF RECEIPTS: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	698 208	712 807	850 280	826 369	853 338	853 338	858 731	930 367	1 015 469
Conditional grants	113 732	118 778	121 616	130 631	144 426	144 426	131 471	139 196	149 757
Comprehensive Agricultural Support Programme Grant	82 454	85 079	87 136	92 333	106 128	106 128	91 306	99 476	107 650
Ilima/Letsema Projects Grant	24 234	26 061	27 673	30 278	30 278	30 278	31 974	33 733	35 791
Land Care Programme Grant: Poverty Relief And Infrastructure Development	4 601	4 802	4 123	5 399	5 399	5 399	5 675	5 987	6 316
Expanded Public Works Programme Incentive Grant For Provinces	2 443	2 836	2 684	2 621	2 621	2 621	2 516		
Total receipts	811 940	831 585	971 896	957 000	997 764	997 764	990 202	1 069 563	1 165 226

The departmental budget increased from R811.9 million in 2015/16 to R957 million in the 2018/19 financial year. The increase relates to expansion of services in farming sectors such as the development of agriparks agrotropolis, agro-processing hubs for the food and beverage sector, mainstreaming of urban agriculture, and community services and capacity building in primary animal health care.

Over the 2019 MTEF, the budget will increase from R990.2 million in 2019/20 to R1.2 billion in 2021/22. This increase is attributed to, amongst others, maintenance of bulk infrastructure in Suikerbosrand nature reserve for marketing nature reserves, EIA licensing and Primary health care for the expansion of Hammanskraal clinic, in order to control safety and hygiene in the food retail chain, and to extend veterinary services to previously marginalised communities.

CASP will continue with the provision of agricultural support services, such as farmer training and capacity building, poultry production inputs, seeds, tool watering cans and fertilisers. The Illima/Letsema grant will support primary production through the supply and delivery of broilers and layers. The Land Care grant is availed for poverty relief and infrastructure development to sustain natural resources. The EPWP will continue to empower communities through the creation of work opportunities and providing training opportunities for EPWP participants.

6.2 Departmental receipts

TABLE 11.2: SUMMARY OF RECEIPTS: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	7 218	9 402	10 081	8 989	8 989	10 175	9 618	10 147	10 705
Fines, penalties and forfeits		4 323	5 640	7 131	7 131	4 097	7 419	7 827	8 257
Interest, dividends and rent on land	7			6	6	19	7	7	7
Transactions in financial assets and liabilities	819	2 853	524	260	260	527	260	274	289
Total departmental receipts	8 044	16 578	16 245	16 386	16 386	14 818	17 304	18 255	19 258

The table above shows the departmental revenue generated mainly from veterinary commodity export certification, export facility/compartments registration, export consignment inspections, import consignment inspections, abattoir registrations and meat inspector authorisation. In terms of revenue generated by the resource protection unit, application fees received in terms of the Nature Conservation Ordinance are charged for permits. Applications are also received in terms of protected species regulations, 2007 (TOPS) and the Convention on International Trade in Endangered Species Regulations, 2010 (CITES). These fees are legislated in the regulations by the National Department of Environmental Affairs (DEA).

Revenue collected on EIA is a fee that will be charged per authorisation applied for and not prelisted activity triggered. Payment is needed any time between submission of an application form and the assessment or scoping report. Regulations were drafted and gazetted on 18 May 2012, GN 35337. The purpose is to prescribe a fee for consideration and processing of EIA in terms of S24 and 24L of the act. This also includes an application for environmental authorisation (EA) amendment in terms of the aforementioned act. It covers administration costs of working on such applications and to ensure commitment by applicants. Revenues from fines are collected in respect of S24 and section 24G of NEMA. That means fines are collected when activities began with a listed or specified activity without an environmental authorisation in contravention of section 24F (1), or a waste management activity is performed without a waste management licence in terms of section 20(b) of the National Environmental Management Act and Waste Act, 2008 (Act No. 59 of 2008).

The revenue collected by the departmental nature reserves are for entrance fees, overnight accommodation and game sales. Other revenue collected by the GDARD includes rental of official accommodation, parking, sale of cartridges, and commission on insurance and employee and ex-employee debt.

Over the 2019 MTRF revenue estimates for the departments have grown substantially, from R17 million in 2019/20 to R19 million in the outer year owing to a cost recovery account being incorporated into the department's revenue collection sources.

7. PAYMENT SUMMARY

7.1 Key assumptions

When compiling the 2019 MTEF budget, the department considered the following factors:

- Assessment of baselines to identify activities that are no longer policy priorities and from which funds could be shifted to more urgent priorities of government;
- Improving alignment with government's policy priorities as stated in the NDP, the 2014-2019 Medium Term Strategic Framework (MTSF), provincial government plans and the plans of the sector and institutions;
- Allocating expenditure to realise the objectives of government's policy more effectively; and
- Shifting funds from non-essential items to priority items to improve value-for-money in government performance.

7.2 Programme summary

TABLE 11.3: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	173 026	201 658	207 729	225 076	232 387	232 387	252 611	266 938	288 005
2. Agriculture And Rural Development	407 741	300 258	295 058	432 524	459 048	459 048	432 724	472 145	509 500
3. Environmental Affairs	230 671	269 507	244 475	299 400	306 329	306 329	304 867	330 480	367 721
Total payments and estimates	811 438	771 423	747 262	957 000	997 764	997 764	990 202	1 069 563	1 165 226

7.3 Summary of Economic Classification

TABLE 11.4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	732 762	708 970	717 224	898 026	915 389	915 103	930 623	983 081	1 055 348
Compensation of employees	382 200	399 165	437 724	479 214	481 000	481 000	526 637	559 585	596 844
Goods and services	350 562	309 805	279 500	418 812	434 389	434 103	403 986	423 496	458 504
Interest and rent on land									
Transfers and subsidies to:	26 848	10 622	12 533	11 691	11 878	12 139	11 247	11 616	12 256
Provinces and municipalities	8 231		5 000	4 000	4 000	4 000			
Departmental agencies and accounts	12 354	4 497	784	837	961	1 222	4 218	4 181	4 412
Higher education institutions	3 786	3 347	3 926	5 291	5 291	5 291	3 734	5 894	6 218
Public corporations and private enterprises	1 000	1 500					1 533		
Households	1 477	1 278	2 823	1 563	1 626	1 626	1 762	1 541	1 626
Payments for capital assets	51 798	51 766	17 501	47 283	70 497	70 497	48 332	74 866	97 622
Buildings and other fixed structures	18 648	29 171	3 747	34 536	27 790	27 790	15 480	40 985	66 804
Machinery and equipment	33 069	22 595	13 754	12 747	42 707	42 707	32 852	33 881	30 818
Software and other intangible assets	81								
Payments for financial assets	30	65	4			25			
Total economic classification	811 438	771 423	747 262	957 000	997 764	997 764	990 202	1 069 563	1 165 226

The department's expenditure decreased from R811.4 million in 2015/16 to R747.3 million in the 2017/18 financial year. The decrease is mainly due to delays in implementing IDMS related projects. However, for the past 3 years the department

supported the food and beverage sector in barley production; the construction of the milling plant for processing; the packhouse for distribution, packaging, marketing of production, and to mainstream urban agriculture. The budget for 2018/19 financial year is R957 million and was adjusted to R997 million for the purchase of trucks and bins for waste removal to Emfuleni local municipality, poultry production inputs and the supply of egg grading machines.

Over the 2019 MTEF period, the budget is set at R990.2 million in 2019/20 and will increase to R1.2 billion in the 2021/22 financial year, due to resources made available for the; agro-processing and agriculture project; primary animal health care; compulsory community service in townships; EIA licensing and Primary health care for the expansion of Hammanskraal clinic.

Programme 1: Administration shows a significant increase from R173 million in 2015/16 to R225.1 million in 2018/19 for Audit fees and tenant and relocation services. Over the 2019 MTEF, the budget will grow from R252.6 million in 2019/20 to R288 million in 2021/22 to cater for operational costs.

Programme 2: Agriculture and Rural Development expenditure increased from R407.7 million in 2015/16 to R432.5 million in 2018/19 for the development of an agro-processing hub to facilitate market access for township enterprises, the construction of poultry (layer and broiler) structures on farms, and establishment of poultry distribution centres. Over the MTEF, the budget will increase substantially from R432.7 million in 2019/20 to R509.5 million in 2021/22. The allocation is intended to mitigate food insecurity via projects such as school and backyard gardens in townships and informal settlements, provision of agricultural production, and the implementation of agro processing and Agriparks.

Programme 3: Environmental Affairs expenditure increased from R230.7 million in 2015/16 to R244.5 million in 2017/18 for Bontle Ke Botho greening campaigns; which relates to the support of Emfuleni municipalities for the wheelie bins and waste removal trucks and encompasses the repairing of the ambient air stations for data generation and reporting. Over the MTEF, the budget was increased from R304.9 million in 2019/20 and R367.7 million in 2021/22, mainly to implement nature reserves' management plans, review and approve environmental impact assessments (EIAs) and implement waste management activities that promote the sustainable use of the environment.

Compensation of employees increased from R382.2 million in 2015/16 to R479.2 million in 2018/19 mainly because of community primary animal health care and IDMS capacity building. Over the MTEF, the allocation for compensation of employees will increase from R526.6 million in 2019/20 to R596.8 million in 2021/22; due to an amount of R17 million being allotted for the Comprehensive Agricultural Support Programme (CASP); graduate programme for agricultural advisors within the department; and DPSA determination on interns.

Goods and services expenditure increased from R350.6 million in 2015/16 to R418.8 million in the 2018/19 financial year; to supply agro processing infrastructure to enhance food production in all corridors; construction of hydroponic and poultry structures to mainstream urban agriculture; and township mobile clinical veterinary services, targeting township and small-scale farmers. Over the 2019 MTEF, the budget for goods and services will grow from R404 million in 2019/20 to R458.5 million in 2021/22 to make provision for the following: continued implementation of the primary animal health program; safeguarding the supply of safe and hygienic food of animal origin; reducing the risk of food-borne infections; maximisation and support monitoring of air quality through ambient monitoring stations; food security initiatives that support community and school food gardens; agro-processing and agriculture.

Transfers and subsidies decreased from R26.8 million in 2015/16 to R11.7 million in 2018/19. Over the 2019 MTEF, the budget for transfers will increase slightly from R11.2 million in 2019/20 to R12.3 million for research projects and skills development.

The expenditure for capital assets decreased significantly from R51.8 million to R17.5 million between 2015/16 and 2017/18 due to delays in implementation of IDMS projects. Over the 2019 MTEF, the budget will increase from R48.3 million in 2019/20 to R97.6 million in the 2020/21 financial year due to increased allocation for Suikerbosrand bulk infrastructure to continue implementation of infrastructure projects through the IDMS process.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments.

Please refer to the 2019 Estimates of Capital Expenditure (ECE)

7.4.2 Departmental Public-Private Partnership (PPP) projects.

N/A

7.5 Transfers

7.5.1 Transfers to other entities

N/A

7.5.2 Transfers to local government

TABLE 11.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	2 743								
Category C	5 488		5 000	4 000	4 000	4 000			
Total departmental transfers	8 231		5 000	4 000	4 000	4 000			

The department transferred R8.2 million in 2015/16 mainly for river clean up and removal of waste. An amount of R5 million was transferred in 2017/18 for the establishment and operationalisation of the Isigayo milling plant in the Randfontein area. Furthermore, in the 2018/19 financial year, the department transferred R4 million to West Rand District Municipality for the development of an agro-processing milling plant. There are no planned transfers to local municipalities.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

This programme provides all the corporate support services required by the department's Programme 2 (Agriculture and Rural Development) and Programme 3 (Environment). It responds directly to Strategic Outcome Oriented Goal 3 on "Enhanced Capacity of the GDARD to implement effectively"; and indirectly to Goals 1 and 2 which are; "A modernised and transformed agricultural sector increasing food security, economic inclusion and equality", and "Sustainable Natural Resource Management".

The purpose of the programme is to provide leadership; management; efficient and effective monitoring and evaluation; policy and research co-ordination and security and risk management; financial management; HR management and development; facilities management services; professional legal services and enforcement services; communication and awareness; as well as knowledge and project management services to the department in response to Pillar 5. The programme's aim is an efficient, effective and development-oriented public service; empowered, fair and inclusive citizenship through the following strategic objectives; which are in line with the department's five-year Strategic Plan.

Programme objectives

- Provision of sound and compliant financial management, liveable facilities and mobility;
- Provision of Human Resources Services and strategy to the department, driven by a customer focus ethos that delivers accurate and timely assistance and information to all managers and employees;
- Creation of sustainable job opportunities for youth, women, PWDs and beneficiaries of military veterans, thus contributing towards economic transformation in the province;
- Accelerating service delivery in Gauteng through Ntirhisano Rapid Response Programme;
- Ensuring effective and efficient governance;
- Provision of effective planning, monitoring & evaluation, policy and research co-ordination, and security and risk management;
- Provision of sound and compliant financial management;
- Provision of effective Human Resources management;
- Transformation within GDARD through mainstreaming women, youth and persons with disabilities;
- Provision of sound and reliable legal advice and support;
- Promotion and facilitation of effective communications between GDARD and the people of Gauteng; and
- Provision of ICT support and services.

Key policies, priorities and outputs

- Institutionalise long term planning;
- Forge a disciplined, people-centred and professional public service;
- Empower citizens to play a role in developing and building an ethical public service;
- Implement a less hierarchical approach;
- Improve the skills of public servants;
- Strengthen procurement processes;

- Pay suppliers promptly;
- Customise and adapt the IT system to specific areas of service delivery; and
- Revitalize the Batho Pele programme and implement the Public Service Charter.

TABLE 11.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Gra:Office Of The Mec	5 736	4 276	5 274	6 165	6 165	6 165	6 625	7 003	7 388
2. Gra:Senior Management	41 317	23 056	25 599	27 459	25 973	25 973	29 009	30 615	33 800
3. Gra:Corporate Services	68 313	82 499	73 570	87 080	85 156	85 156	92 706	98 171	102 629
4. Gra:Financial Management	57 660	91 827	103 286	104 372	115 093	115 093	124 271	131 149	144 188
Total payments and estimates	173 026	201 658	207 729	225 076	232 387	232 387	252 611	266 938	288 005

TABLE 11.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	166 872	187 486	203 249	219 161	225 510	225 326	244 657	260 187	280 878
Compensation of employees	107 774	110 006	119 674	139 653	134 479	134 479	145 636	156 548	165 653
Goods and services	59 098	77 480	83 575	79 508	91 031	90 847	99 021	103 639	115 225
Interest and rent on land									
Transfers and subsidies to:	960	1 228	1 324	1 687	1 829	1 962	1 712	1 791	1 890
Departmental agencies and accounts	734	877	784	837	961	1 222	898	1 181	1 246
Households	226	351	540	850	868	740	814	610	644
Payments for capital assets	5 164	12 879	3 152	4 228	5 048	5 074	6 242	4 960	5 237
Buildings and other fixed structures	179								
Machinery and equipment	4 904	12 879	3 152	4 228	5 048	5 074	6 242	4 960	5 237
Software and other intangible assets	81								
Payments for financial assets	30	65	4			25			
Total economic classification	173 026	201 658	207 729	225 076	232 387	232 387	252 611	266 938	288 005

The programme is responsible for administrative functions which are centralised to it for better expenditure control, such as property payments and training and development. The expenditure increased from R173 million during 2015/16 to R225.1 million in 2018/19 for the recruitment of infrastructure professionals to improve on the planning and delivery of infrastructure projects. The budget for 2018/19 amounted to R225 million and was adjusted upwards to R232 million for the purchase of protective clothing due to statutory requirement for artisans and assets management team.

Over the MTEF period, the budget will increase from R252.6 million in 2019/20 to R288 million in 2021/22 to supplement budget for goods and services under consumables, stationery, printing and office supplies.

The compensation of employees' allocation will increase from R145 million in 2019/20 to R165.7 million in 2021/22 owing to cost of living adjustments, capacity building in infrastructure unit and R1.7 million is available for the DPSA determination on interns.

Expenditure for Goods and services grows from R59 million in 2015/16 to R91 million in 2018/19 due to office relocation expenditure incurred. The budget of R99 million in 2019/20 will increase to R115.2 million in 2021/22. The allocation will accommodate a fully managed data centre upgrade to ensure the smooth running of the property payments office.

An amount of R898 000 will be transferred to Sector Education and Training Authorities (SETAs) in 2019/20 and will be increased to R1.2 million in 2020/21, for capacity and talent management initiatives. The allocation for households will decline from R814 000 in 2019/20 to R644 000 for 2021/22 to accommodate household benefits which are demand driven.

Expenditure on capital assets amounted to R5.2 million in 2015/16 and declined to R3.2 million in 2017/18 for planned equipment replacements for the new building. The allocation will be reduced over the MTEF from R6.2 million in 2019/20 to R5.2 million in 2020/21 to cater for replacement of old furniture and labour-saving devices.

PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

Programme description

This programme is responsible for two of the major mandates of the GDARD: development of agriculture and development of rural areas. Based on the strategic direction for the fifth term of governance, greater emphasis is placed on the economic growth and development elements of both mandates. The programme and its four strategic objectives described below respond directly to the GDARD's Strategic Outcome Oriented Goal 1: a modernised and transformed agricultural sector, increasing food security, and economic inclusion and equality. It contributes to Goal 2 (sustainable natural resource management) and indirectly to Goal 3 (enhanced capacity of the GDARD to implement effectively).

The programme aims to optimise the contribution of sustainable agriculture to the equitable development of all communities in the province by enhancing food security, income, employment and the quality of life; and to control and manage health risks of animal origin, by ensuring healthy livestock production and the availability and affordability of healthy, high quality food and animal products. These activities stimulate economic growth and contribute towards poverty alleviation and international trade.

Programme objectives

- Protect and manage Gauteng's natural resources and environment;
- Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality and the creation of decent work;
- Boost food security for all and ensure the sustainability thereof; and
- Ensure comprehensive socio-economic development in Gauteng's rural areas.

Key policies, priorities and outputs

- Support sustainable development and management of community environmental and some agricultural resources and provide agricultural support services to farmers;
- Provide extension and advisory services, sustainable agricultural development support to smallholder and commercial farmers; provide agricultural infrastructure support coordination; and support households for the purpose of food security;
- Provide increased agri-business support through entrepreneurial development, marketing services, value adding, production and resource economics;
- Ensure healthy animals, and a supply of safe, healthy and wholesome food of animal origin by reducing levels of animal disease and negligible occurrence of zoonotic diseases;
- Provide a veterinary export certification service to the livestock and food processing industries as well as the adoption of SABS-approved animal welfare practices on Gauteng's farms, abattoirs and places of performing animals;
- Provide expert, needs-based research and technology transfer services; and
- Support and coordinate development programmes in rural areas by all stakeholders.

TABLE 11.8: SUMMARY OF PAYMENTS AND ESTIMATES: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Gra:Sustainable Resource Manage	4 596	4 802	4 123	5 399	5 399	5 399	5 675	5 987	6 316
2. Gra:Farmer Support & Development	176 117	157 211	137 780	205 579	239 495	239 495	195 375	208 949	233 833
3. Gra:Veterinary Services	84 638	74 705	72 011	99 060	97 208	97 208	111 579	127 056	133 544
4. Gra:Research & Technology Dev Ser	91 295	32 209	34 368	75 093	73 743	73 743	76 284	82 210	86 231
5. Gra:Agricultural Economics Serv	44 831	22 588	34 608	33 560	32 300	32 300	32 769	35 975	37 454
6. Gra:Rural Developmnt Cordination	6 264	8 743	12 168	13 833	10 903	10 903	11 042	11 968	12 122

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Total payments and estimates	407 741	300 258	295 058	432 524	459 048	459 048	432 724	472 145	509 500

TABLE 11.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	360 282	285 991	278 898	409 927	419 911	419 809	404 770	443 694	479 483
Compensation of employees	130 819	136 428	150 736	169 674	167 284	167 284	185 906	199 278	216 225
Goods and services	229 463	149 563	128 162	240 253	252 627	252 525	218 864	244 416	263 258
Interest and rent on land									
Transfers and subsidies to:	22 624	7 587	10 167	9 549	9 583	9 711	8 988	9 183	9 689
Provinces and municipalities	6 902		5 000	4 000	4 000	4 000			
Departmental agencies and accounts	11 620	3 620					3 320	3 000	3 166
Higher education institutions	3 786	3 347	3 926	5 291	5 291	5 291	3 734	5 894	6 218
Public corporations and private enterprises							1 533		
Households	316	620	1 241	258	292	420	401	289	305
Payments for capital assets	24 835	6 680	5 993	13 048	29 554	29 528	18 966	19 268	20 328
Buildings and other fixed structures				10 000	10 000	10 000	13 000	15 289	16 130
Machinery and equipment	24 835	6 680	5 993	3 048	19 554	19 528	5 966	3 979	4 198
Payments for financial assets									
Total economic classification	407 741	300 258	295 058	432 524	459 048	459 048	432 724	472 145	509 500

The programme's expenditure amounted to R407.7 million in 2015/16 and increased to R432.5 million in 2018/19. This was for the development of agro-processing hubs to facilitate market access for township enterprises; the establishment of poultry distribution centre and Isigayo milling plant in the Randfontein region; and mainstream urban agriculture to support SMMEs with infrastructure. The 2018/19 main budget amounted to R432 million and was adjusted to R459 million due to commitments on post settlement farmer support implemented by the Agricultural Research Council and the construction of poultry (layers and broilers) structures.

Over the 2019 MTEF, the allocation will increase from R432.7 million in 2019/20 to R509.5 million in the 2021/22 financial year. The increase is attributed to the food security initiative supporting the school and community food gardens in townships; agricultural marketing and business development; the agro-processing programme; and implementation of Primary Animal Health Care-compulsory community services in townships to extend veterinary skills to previously marginalised communities.

The Sustainable Resource Managements sub-programme has been allocated R5.7 million in 2019/20, which will increase to R6.3 million in 2020/21. This is for the removal of alien vegetation, wetlands rehabilitation in relation to the Land Care Conditional Grant.

The Farmer Support and Development programme allocation will increase from R195.4 million in 2019/20 to R233.8 million in 2021/22, to continue to render extension and advisory services to subsistence producers in the province. Beneficiaries will receive production inputs, such as vegetable seed, tools, compost, watering cans and hosepipes.

The Veterinary Services allocation will increase from R111.6 million in 2019/20 to R133.5 million in 2021/22. The allocation caters for increased demand for clinical services, such as the expansion of current structure in Hammanskraal and establishment of clinics in the other economic development corridors within the province. Funds are also allocated to provide invaluable veterinary skills capacity that will enable the province to extend veterinary services to previously marginalized communities.

The Research and Technology Development services allocation will increase from R76.3 million in 2019/2020 to R86.2 million in 2021/2022 for the development of new high-technology Agriparks; the Agrotropolis project initiative in the western and southern development corridors; continuation of the maintenance and expansion of the existing Agriparks and milling plants in Tarlton, Westonaria and Sebokeng, which promotes agricultural technology and science; as well as farmer training to ensure that farmers are adequately skilled to reduce quality products for markets.

The Agriculture Economic Services allocation is set at R32.8 million in 2019/20 and will increase to R37.4 million in 2021/22, mainly for the development of the Agrotropolis in Sedibeng, Western District Municipalities which support SMME's with infrastructure, and training agropreneurs to enhance food production.

Rural development allocation will increase from R11 million in 2019/20 to R12.1 million in 2021/22, primarily to ensure proper coordination with GPG departments regarding services rendered to the rural nodes.

Compensation of employees for the programme increased from R185.9 million in 2019/20 to R216.2 million in 2021/22 financial year. The funds make provision for annual cost of living increases and Comprehensive Agricultural Support Grant (CASP) additional graduate programme extension officers.

Goods and services budget will increase from R218.9 million in 2019/20 to R263.3 million in 2021/22. The allocation caters for supporting of farmers through the mechanisation programme, which ensures that farmers have access to machinery to increase productivity and production. In addition, the allocation makes provision for the development of community, school and backyard gardens.

Total transfers amount to R8.9 million, of which, R1.8 million will be transferred to Agricultural Research Council (ARC) for research agenda projects under departmental agencies and accounts. In addition, R1.5 million will be transferred to the South African Bureau of Standards (SABS), and R1.5 million to Perishable Product Export Control Board (PPECB) for training of smallholder farmers on food safety and quality assurance. Furthermore, an amount of R3.7 million will be transferred in 2019/20 to higher education institutions for bursaries and internships. Lastly, R401 000 will be allocated in 2019/20 under households for leave gratuity and injury on duty payments.

Capital assets allocation amounts to R19 million in 2019/20 before increasing to R20.3 million in 2021/22 for the purpose of upgrading the Hammanskraal Primary Animal Health Clinic.

SERVICE DELIVERY MEASURES

PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of smallholder farmers trained	2 260	2 300	2 340	2 400
Number of commercial farmers trained	50	50	60	64
Number of households supported with agricultural food production initiatives	3 620	3 640	3 660	3 660
Number of school food gardens supported	51	56	60	62
Number of community food gardens supported	51	56	60	62
Number of food gardens supported with water tanks for rainwater harvesting	60	40	40	42
Number of women benefitting from community food gardens	620	640	660	300
Number of visits to epidemiological units for veterinary interventions	8100	8500	8500	8500
Number of mobile veterinary services in townships	70 000	75 000	80 000	85 000
Number of animal health regulatory veterinary interventions with emerging and commercial farmers	209 000	210 000	210 000	210 000
Number of new Nguni breeders applications approved	3	3	3	3
Number of export control certificates issued	16000	16 000	16 000	15000
Average percentage of compliance of all operating abattoir in the province to the meat safety legislation	80%	80%	80%	80%
Number of laboratory tests performed according to the prescribed standards	50 000	60 000	60 000	60 000
Number of agri business supported with marketing services	70	80	90	90
Number of SMME and biotech companies supported with business incubation (incl. BioFundi Awards)	7	7	7	7
Number of Agri-Expos organised	1	1	1	1
Number of smallholder farmers attending Agri-Expos	300	350	350	350
Number of farmers trained in water saving technologies	80	80	80	80
Number of research infrastructure managed	1	1	1	1
Number of Farm Management Plans developed	80	80	80	80
Number of hectares worked by GDARD tractors	3500	4000	4000	4000
Number of Agri-parks established	1	1	1	1
Number of women benefitting from Agri-parks	7	7	7	7
Number of Agrotropolis initiatives supported	1	1	1	1

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of Councils of Stakeholders provided with training	4	4	4	4
Number of projects implemented with signatories of the Gauteng Rural Social Compact Plan	6	6	7	7
Number of industry AgriBEE Indabas/State of AgriBEE held	1	1	1	1

PROGRAMME 3: ENVIRONMENTAL AFFAIRS

Programme description

This programme is responsible for the sustainable development mandate area of the GDARD, i.e. the protection and management of Gauteng's natural and environmental resources and ecosystems. Based on the new strategic direction for the 5th term of governance, greater emphasis will be placed the economic growth and development elements e.g. fast-tracking the EIA applications approvals, eco-tourism, development of alternate energy sources/supply to provide long term energy security, waste management and the development of green technologies and processes.

The programme promotes equitable and sustainable use of ecosystems, goods and services and contributes to economic development by managing biodiversity and its components, processes, habitats and functions. The programme also ensures that the province implements the principles of integrated waste management; promotes sustainable development and quality of life by ensuring acceptable ambient air quality and sustainable mining practices; and manages hazardous chemicals and industrial related activities.

Programme objectives

- Protect and manage Gauteng's natural resources and environment.
- Promote sustainable development including waste management, recycling and the development and utilisation of green technologies and processes.
- Advance eco-tourism in the Province's nature reserves

Key policies, priorities and outputs

- To develop policies and programmes that will help to reduce the negative environmental effects of developments.

TABLE 11.10: SUMMARY OF PAYMENTS AND ESTIMATES: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Gra:Environmental Policy,Planning And Coordination	17 875	38 419	23 154	22 627	22 619	22 619	26 029	27 353	29 359
2. Gra:Compliance And Enforcement	40 349	37 627	38 713	43 880	43 644	43 644	46 929	49 434	54 653
3. Gra:Environmental Quality Management	53 229	55 857	59 554	46 120	52 176	52 176	60 888	64 382	67 923
4. Gra: Biodiversity Management	92 516	104 743	91 772	129 870	111 347	111 347	114 046	136 525	160 004
5. Gra: Environmental Empowerment Services	26 702	32 861	31 282	56 903	76 543	76 543	56 975	52 786	55 782
Total payments and estimates	230 671	269 507	244 475	299 400	306 329	306 329	304 867	330 480	367 721

TABLE 11.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	205 608	235 493	235 077	268 938	269 968	269 968	281 196	279 200	294 987
Compensation of employees	143 607	152 731	167 314	169 887	179 237	179 237	195 095	203 759	214 966
Goods and services	62 001	82 762	67 763	99 051	90 731	90 731	86 101	75 441	80 021
Interest and rent on land									
Transfers and subsidies to:	3 264	1 807	1 042	455	466	466	547	642	677
Provinces and municipalities	1 329								

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Public corporations and private enterprises	1 000	1 500							
Households	935	307	1 042	455	466	466	547	642	677
Payments for capital assets	21 799	32 207	8 356	30 007	35 895	35 895	23 124	50 638	72 057
Buildings and other fixed structures	18 469	29 171	3 747	24 536	17 790	17 790	2 480	25 696	50 674
Machinery and equipment	3 330	3 036	4 609	5 471	18 105	18 105	20 644	24 942	21 383
Payments for financial assets									
Total economic classification	230 671	269 507	244 475	299 400	306 329	306 329	304 867	330 480	367 721

The programme expenditure increased from R230.7 million in 2015/16 to R299.4 million in 2018 for clean-up campaigns such as BKB; waste recycling centres; clearing and rehabilitation of illegal dumping sites; tree planting; and continued issuing of environmental impact assessment authorisations and biodiversity permits; thus improving sustainable use of the environment. The budget for the programme is R299 million in 2018/19 and was adjusted upwards to R306 million to procure quad bikes trailers, gates for horse camps, bed mattress for nature reserves, to procure granular machines to support and promote recycling at buy-back centres.

Over the 2019 MTEF, the budget will be augmented from R304.9 million in 2019/20 to R367.7 million in 2021/22. The allocation makes provision for the monitoring of previously supported recycling facilities and buy-back centres; the implementation of general waste collection standards in Gauteng municipalities; maximisation and support of monitoring of air quality through ambient monitoring stations, issuing of environmental impact assessment authorisations; and the creation of green jobs such as clean-up campaigns removal of alien vegetation.

Environmental Policy, Planning and Coordination allocation increased from R26 million in 2019/20 to R29.4 million in the 2021/22 financial year. The allocation ensures the integration of environmental objectives through promoting provincial growth and development strategies.

Compliance and Enforcement allocation will increase from R47 million in 2019/20 to R54.6 million in the 2020/21 financial year and will be dedicated to the monitoring of environmental authorisations (EAs) by conducting routine, proactive and reactive inspections and conducting criminal investigations.

Environmental Quality Management budget will increase from R60 million in 2018/19 to R67 million in the 2020/21 financial year. The purpose being to conduct reviews and approvals of Environmental Impact Assessments (EIAs) to ensure economic growth attract investors to Gauteng Province.

Biodiversity Management allocation is R114 million in 2019/20 and R160 million in the 2020/21 financial year. The increase is due to an increased allocation for bulk infrastructure at Suikerbosrand in 2019/20; to invest in the management and protection of the provincial protected biodiversity areas; and to continue upgrading and rehabilitation of departmental nature reserves.

Environmental Empowerment Services have been allocated R57 million in 2019/20 and will decrease to R55.7 million in 2020/21. This is for the removal of alien vegetation, wetlands rehabilitation and Bontle Ke Botho cleaning and greening projects. Compensation of employees for the programme increased from R195 million in 2019/20 to R216 million in 2021/22 financial year. Additional R7.5 million is availed for the EIA licensing.

Goods and services expenditure increased from R62 million in 2015/16 to R90.7 million in 2018/19 adjusted budget owing to the implementation of nature reserves management plans and environmentally clean development projects. The budget will amount to R86.1 million in 2019/20 and R80 million in 2020/21. The budget makes provision for the continuation of investing in the management and protection of the existing provincial areas protected, and the implementation of the Gauteng Protected Areas Expansion Strategy by forming formal conservation areas with private land owners. Furthermore, the department will continue to implement environmental awareness activities in community, youth groups and school group's empowerment.

The expenditure for capital assets grew significantly from R21.8 million in 2015/16 to R32.2 million in 2016/17 due to maintenance projects on rehabilitation and upgrading of departmental nature reserves. Over the 2019 MTEF, the budget is set at R23.1 million in 2019/20 and will vastly increase to R72.1 million in 2021/22 due to increased allocation on bulk infrastructure at Suikerbosrand in the 2019/20 financial year. Funds will be used to continue with projects of revitalisation of the departmental nature reserves such as erecting fence at Abe bailey for safekeeping of animals.

SERVICE DELIVERY MEASURES**PROGRAMME 3: ENVIRONMENTAL AFFAIRS**

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of inter-governmental sector tools reviewed	4	4	3	3
Number of climate change response interventions implemented	1	1	1	1
Number of administrative enforcement notices issued for non-compliance with environmental management legislation	80	80	80	80
Number of completed criminal investigations handed to the NPA for prosecution	30	30	30	30
Number of compliance inspections conducted	250	250	250	250
Percentage of complete EIA Applications finalised within legislated timeframes	100%	100%	100%	100%
Percentage of waste licence applications finalised within legislated time-frames	100%	100%	100%	100%
Number of Waste Certificates issued	300	350	350	600
Number of Permits issued within legislated time-frames	8200	9000	9500	10 000
Number of work opportunities created through environmental programmes	800	800	800	936
Number of environmental awareness activities conducted	200	220	230	230
Number of EPWP FTE jobs created	180	263	270	280
Number of legislated tools developed	1	1	1	1
Number of functional environmental information management systems maintained	5	5	5	5
Number of S24G applications finalised	10	10	10	10
Number of designated environmental management inspections(EMIs) in provincial departments and local government	8	8	8	8
Percentage of atmospheric emission licences issued within legislated timeframes	100%	100%	100%	100%
Percentage of facilities with atmospheric Emission licences reporting to the national Atmospheric Emissions inventory systems(NAEIS)	100%	100%	100%	100%
Number of Healthcare waste approvals issued	25	30	30	40
Number of Hectares in the conservation estate	82 756	84 756	86 756	90 000
Percentage of area of state managed protected areas assess with a METT score above 67%	50%	66%	83%	100%
Number of environmental capacity building activities conducted	40	40	40	40
Number of quality environmental education resources materials developed	2	2	2	2

9. OTHER PROGRAMME INFORMATION**9.1 Personnel numbers and costs**

TABLE 11.12 PERSONNEL NUMBERS AND COSTS: AGRICULTURE AND RURAL DEVELOPMENT

R thousands	Actual			Revised estimate			Medium-term expenditure estimate			Average annual growth over IMTEF							
	2015/16		2016/17	2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22			
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	% Costs of Total		
Salary level																	
1 – 6	171	29 446	171	29 466	173	38 567	201	36 246	205	38 867	206	41 157	212	47 278	2%	9%	8%
7 – 10	574	220 376	574	229 519	570	245 603	589	287 677	610	306 245	616	320 807	632	331 913	2%	5%	57%
11 – 12	113	68 660	113	74 083	109	82 995	110	79 774	121	91 260	122	103 363	128	112 547	5%	12%	18%
13 – 16	43	39 517	43	40 641	36	44 506	42	51 607	42	60 722	42	67 217	43	71 735	1%	12%	12%
Other	68	24 202	68	25 456	54	26 054	119	25 696	246	29 543	326	27 041	326	33 371	40%	9%	5%
Total	969	382 200	969	399 165	942	437 724	1 061	481 000	1 224	526 637	1 312	559 585	1 341	596 844	8%	7%	100%
Programme																	
1. Administration	282	107 774	282	110 006	255	119 674	306	134 479	346	145 636	349	156 548	361	165 653	6%	7%	28%
2. Agriculture And Rural Development	343	130 819	343	136 428	344	150 736	389	167 284	402	185 906	483	199 278	486	216 225	8%	9%	36%
3. Environmental Affairs	344	143 607	344	152 731	343	167 314	376	179 237	476	195 085	480	203 759	494	214 966	10%	6%	37%
Direct charges															0%	0%	0%
Total	969	382 200	969	399 165	942	437 724	1 061	481 000	1 224	526 637	1 312	559 585	1 341	596 844	8%	7%	100%
Employee dispensation classification																	
Public Service Act appointees not covered by OSDs	717	301 206	778	306 328	809	333 844	821	351 012	838	370 669	838	391 056	838	412 564	1%	6%	79%
Legal Professionals	4	1 896	3	2 009	3	2 649	4	2 278	4	2 406	4	2 538	4	2 678	0%	6%	1%
Engineering Professions and related occupations	225	76 076	188	80 640	236	87 478	252	90 607	252	95 681	252	100 943	252	106 495	0%	6%	20%
Total	946	379 178	969	388 977	1 048	423 971	1 077	443 897	1 094	468 756	1 094	494 537	1 094	521 737	1%	6%	100%

The growth in compensation of employees and head count of 1 094 is mainly due to capacity building for Community Primary Animal Health care guided by a new service delivery model, which has focused service delivery in five corridors, and recruitment of infrastructure professionals to improve on the planning and delivery of infrastructure projects. The budget for personnel cost increased from R527 million in 2019/20 to R596 million in 2021/22 mainly to cater for increase in condition of service.

9.2 Training

TABLE 11.13: INFORMATION ON TRAINING: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	969	969	942	1 071	1 071	1 071	1 224	1 312	1 341
Number of personnel trained	675	675	665	665	665	665	665	702	702
of which									
Male	310	310	306	306	306	306	306	323	323
Female	365	365	359	359	359	359	359	379	379
Number of training opportunities	176	176	176	186	186	186	196	207	207
of which									
Tertiary	146	146	146	154	154	154	163	172	172
Workshops	20	20	20	21	21	21	22	23	23
Seminars	10	10	10	11	11	11	11	12	12
Other							-	-	-
Number of bursaries offered	38	40	60	60	60	60	60	63	63
Number of interns appointed	40	45	45	45	45	45	48	51	51
Number of learnerships appointed							-	-	-
Number of days spent on training	5	4	4	4	4	4	4	4	4
Payments on training by programme									
1. Administration	3 805	3 594	4 901	5 212	5 212	5 212	8 256	8 765	9 345
2. Agriculture And Rural Development									
3. Environmental Affairs									
Total payments on training	3 805	3 594	4 901	5 212	5 212	5 212	8 256	8 765	9 345

The department continues to build capacity and improve the efficiency and effectiveness of staff members by encouraging participation in skills development and bursary opportunities to ensure that core business and support functions are supported appropriately. Over the 2019 MTEF period, the budget has been increased from R8.3 million in 2019/20 to R9.3 million in the 2021/22 financial year, due to approval of additional funding for the internship programme to meet the nationally set target, and for implementation of the Workplace Skills Plans.

9.3 Reconciliation of structural changes

2018/19		2019/20	
Programmes	R'000	Programmes	R'000
1. Administration	225 076	1. Administration	252 611
1. Gra:Office Of The Mec	6 165	1. Gra:Office Of The Mec	6 625
2. Gra:Senior Management	27 459	2. Gra:Senior Management	29 009
3. Gra:Corporate Services	87 080	3. Gra:Corporate Services	92 706
4. Gra:Financial Management	104 372	4. Gra:Financial Management	124 271
2. Agriculture And Rural Development	489 427	2. Agriculture And Rural Development	432 724
1. Gra:Sustainable Resource Management	62 302	1. Gra:Sustainable Resource Management	5 675
2. Gra:Farmer Support & Development	205 579	2. Gra:Farmer Support & Development	195 375
3. Gra:Veterinary Services	99 060	3. Gra:Veterinary Services	111 579
4. Gra:Research & Technology Development Services	75 093	4. Gra:Research & Technology Development Services	76 284
5. Gra:Agricultural Economics Services	33 560	5. Gra:Agricultural Economics Services	32 769
6. Gra:Rural Development Coordination	13 833	6. Gra:Rural Development Coordination	11 042
3. Environmental Affairs	242 497	3. Environmental Affairs	304 867
1. Gra:Environmental Policy,Planning And Coordination	22 627	1. Gra:Environmental Policy,Planning And Coordination	26 029
2. Gra:Compliance And Enforcement	43 880	2. Gra:Compliance And Enforcement	46 929
3. Gra:Environmental Quality Management	46 120	3. Gra:Environmental Quality Management	60 888
4. Gra: Biodiversity Management	129 870	4. Gra: Biodiversity Management	114 046
		5. Gra: Environmental Empowerment Services	56 975
	957 000		990 202

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 11.14: SPECIFICATION OF RECEIPTS: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	7 218	9 402	10 081	8 989	8 989	10 175	9 618	10 147	10 705
Sale of goods and services produced by department (excluding capital assets)	7 218	9 402	10 081	8 989	8 989	10 175	9 618	10 147	10 705
Other sales	7 218	9 402	10 081	8 989	8 989	10 175	9 618	10 147	10 705
Of which									
Health patient fees	4 399	1 103	1 158	1 216	1 216	1 216	1 284	1 342	1 416
Other (Specify)	893	850	900	952	952	952	1 006	1 062	1 120
Other (Specify)	521	2 012	2 112	2 218	2 218	2 218	2 342	2 384	2 515
Other (Specify)	1 405	5 437	5 911	4 603	4 603	5 789	4 986	5 210	5 497
Transfers received from:									
Fines, penalties and forfeits		4 323	5 640	7 131	7 131	4 097	7 419	7 827	8 257
Interest, dividends and rent on land	7			6	6	19	7	7	7
Interest	7			6	6	19	7	7	7
Sales of capital assets									
Transactions in financial assets and liabilities	819	2 853	524	260	260	527	260	274	289
Total departmental receipts	8 044	16 578	16 245	16 386	16 386	14 818	17 304	18 255	19 258

TABLE 11.15: SUMMARY OF PAYMENTS BY ECONOMIC CLASSIFICATION: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	732 762	708 970	717 224	898 026	915 389	915 103	930 623	983 081	1 055 348
Compensation of employees	382 200	399 165	437 724	479 214	481 000	481 000	526 637	559 585	596 844
Salaries and wages	334 039	347 756	381 459	411 356	409 792	410 345	447 248	477 825	510 588
Social contributions	48 161	51 409	56 265	67 858	71 208	70 655	79 389	81 760	86 256
Goods and services	350 562	309 805	279 500	418 812	434 389	434 103	403 986	423 496	458 504
Administrative fees	797	2 220	2 031	1 966	2 417	2 810	2 039	2 401	2 534
Advertising	12 550	11 027	13 175	8 197	11 573	11 740	5 744	6 085	6 168
Minor assets	1 411	93	1 205	2 383	2 295	2 488	2 486	2 366	2 496
Audit cost: External	4 161	3 880	4 550	4 604	4 496	4 496	4 960	5 027	5 803
Bursaries: Employees	807	316	502	600	600	600	740	899	948
Catering: Departmental activities	1 434	2 266	2 351	3 605	4 323	4 411	3 766	4 761	5 023
Communication (G&S)	10 287	11 664	5 908	9 380	9 190	8 742	7 854	7 998	8 287
Computer services	6 902	12 881	8 555	8 564	7 605	7 259	15 038	13 174	13 648
Consultants and professional services:	3 398	5 339	5 952	11 475	12 435	12 117	4 630	5 752	5 972

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Business and advisory services									
Infrastructure and planning	6 619	6 212	2 803	3 215	3 718	3 718	7 749	9 402	10 049
Laboratory services	127		1	754	1 253	1 253	1 780	2 830	2 986
Scientific and technological services									
Legal services	1 403	1 757	1 370	1 836	2 171	3 136	1 971	2 099	2 022
Contractors	18 865	15 832	4 489	36 999	35 316	32 574	32 131	27 708	29 405
Agency and support / outsourced services	482	408		315	165	165	632	350	369
Entertainment									
Fleet services (including government motor transport)	1 551	2 505	2 071	3 371	3 461	2 925	3 609	3 791	6 829
Inventory: Clothing material and accessories	2 934	1 807	2 523	3 511	5 996	5 789	6 100	3 138	3 308
Inventory: Farming supplies	187 145	127 349	102 095	191 851	197 639	195 682	157 149	181 394	193 801
Inventory: Food and food supplies	17	183	114	30	55	55	20	37	90
Inventory: Fuel, oil and gas	5 014	5 963	6 988	5 062	5 050	7 321	8 204	8 602	9 074
Inventory: Learner and teacher support material	30	147	6	150	250	250	147	160	168
Inventory: Materials and supplies	3 209	2 282	1 968	3 061	2 514	3 186	5 091	2 219	2 341
Inventory: Medical supplies	2 637	951	3 359	4 521	3 410	3 425	5 077	6 377	6 727
Inventory: Medicine	1 601	7 520	2 930	9 338	8 508	7 696	10 871	10 423	10 993
Inventory: Other supplies	300			370	120	120	580	580	612
Consumable supplies	3 148	2 357	5 330	3 676	6 703	7 947	6 278	5 669	5 981
Consumable: Stationery, printing and office supplies	5 018	4 047	4 320	5 395	3 874	3 892	4 715	5 463	5 764
Operating leases	3 495	11 647	5 542	6 627	5 621	5 935	4 757	7 747	7 924
Property payments	23 483	28 679	44 830	42 664	43 155	42 580	46 200	42 261	44 210
Transport provided: Departmental activity				131	131	96			
Travel and subsistence	26 239	23 353	26 421	25 416	30 414	30 774	29 323	30 673	36 888
Training and development	3 208	5 059	3 842	9 554	8 776	9 372	9 805	9 593	10 120
Operating payments	4 014	4 809	5 016	5 734	4 891	5 127	5 987	6 260	7 404
Venues and facilities	7 963	6 492	7 167	4 367	5 963	5 712	7 580	7 286	9 535
Rental and hiring	313	760	2 086	90	301	710	973	971	1 025
Interest and rent on land									
Interest									
Transfers and subsidies	26 848	10 622	12 533	11 691	11 878	12 139	11 247	11 616	12 256
Provinces and municipalities	8 231		5 000	4 000	4 000	4 000			
Municipalities	8 231		5 000	4 000	4 000	4 000			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Municipalities	8 231		5 000	4 000	4 000	4 000			
Departmental agencies and accounts	12 354	4 497	784	837	961	1 222	4 218	4 181	4 412
Provide list of entities receiving transfers	12 354	4 497	784	837	961	1 222	4 218	4 181	4 412
Higher education institutions	3 786	3 347	3 926	5 291	5 291	5 291	3 734	5 894	6 218
Public corporations and private enterprises	1 000	1 500					1 533		
Public corporations	1 000	1 500							
Other transfers	1 000	1 500							
Households	1 477	1 278	2 823	1 563	1 626	1 626	1 762	1 541	1 626
Social benefits	1 154	1 032	2 409	1 563	984	1 135	1 762	1 541	1 626
Other transfers to households	323	246	414		642	491			
Payments for capital assets	51 798	51 766	17 501	47 283	70 497	70 497	48 332	74 866	97 622
Buildings and other fixed structures	18 648	29 171	3 747	34 536	27 790	27 790	15 480	40 985	66 804
Buildings	18 648	29 171	3 747	9 477	2 790	2 790	2 480	24 871	49 804
Other fixed structures				25 059	25 000	25 000	13 000	16 114	17 000
Machinery and equipment	33 069	22 595	13 754	12 747	42 707	42 707	32 852	33 881	30 818
Transport equipment	23 012	5 779	6 961				1 255	5 614	5 923
Other machinery and equipment	10 057	16 816	6 793	12 747	42 707	42 707	31 597	28 267	24 895
Software and other intangible assets	81								
Payments for financial assets	30	65	4			25			
Total economic classification	811 438	771 423	747 262	957 000	997 764	997 764	990 202	1 069 563	1 165 226

TABLE 11.16: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	166 872	187 486	203 249	219 161	225 510	225 326	244 657	260 187	280 878
Compensation of employees	107 774	110 006	119 674	139 653	134 479	134 479	145 636	156 548	165 653
Salaries and wages	94 315	96 065	104 075	118 681	112 757	113 071	119 498	131 357	139 076
Social contributions	13 459	13 941	15 599	20 972	21 722	21 408	26 138	25 191	26 577
Goods and services	59 098	77 480	83 575	79 508	91 031	90 847	99 021	103 639	115 225
Administrative fees	305	241	476	288	628	874	397	416	439
Advertising	567	1 047	1 353	2 081	2 187	1 274	1 667	1 758	1 604
Minor assets	852	40	905	769	757	1 000	1 187	1 228	1 296
Audit cost: External	4 161	3 880	4 457	4 524	4 416	4 416	4 880	4 935	5 706
Bursaries: Employees	807	299	502	600	600	600	600	899	948
Catering: Departmental activities	356	729	498	1 012	968	968	917	1 005	1 060
Communication (G&S)	2 861	5 898	2 341	3 880	3 880	3 495	2 103	2 055	2 167

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Computer services	6 750	12 490	8 549	8 543	7 584	7 238	11 108	11 567	11 953
Consultants and professional services:									
Business and advisory services	794	1 919	1 546	2 495	2 734	3 039	2 993	3 348	3 533
Legal services	1 403	1 702	1 370	1 836	2 121	3 086	1 971	2 099	2 022
Contractors	1 393	1 352	1 253	1 046	892	1 034	2 118	2 812	3 267
Agency and support / outsourced services	21			315	165	165	332	350	369
Entertainment									
Fleet services (including government motor transport)	1 551	2 505	2 071	3 371	3 371	2 835	3 609	3 791	6 829
Inventory: Clothing material and accessories	71	30	126	96	756	458	349	281	296
Inventory: Farming supplies	1		1	25					
Inventory: Food and food supplies	17	30	42	30	55	55	20	37	90
Inventory: Fuel, oil and gas	4 618	5 549	6 600	3 600	3 600	5 871	7 582	7 778	8 205
Inventory: Learner and teacher support material	30	147			100	100	80	80	84
Inventory: Materials and supplies	708	284	475	350	465	512	360	375	396
Inventory: Medical supplies	5			2	2	2			
Inventory: Other supplies				250					
Consumable supplies	646	234	968	335	139	165	1 241	1 254	1 323
Consumable: Stationery, printing and office supplies	4 401	2 910	3 757	3 716	3 251	3 251	4 029	4 170	4 400
Operating leases	833	6 797	4 423	1 530	1 932	2 260	1 887	2 000	1 860
Property payments	17 873	22 532	32 735	28 881	41 265	38 339	38 012	39 343	43 507
Transport provided: Departmental activity				131	131	96			
Travel and subsistence	3 957	2 865	3 669	4 497	4 374	4 305	4 614	5 552	6 057
Training and development	2 209	915	1 910	2 473	1 985	2 522	3 415	3 223	3 400
Operating payments	1 051	2 111	2 311	1 761	1 764	1 773	1 983	2 049	2 162
Venues and facilities	844	915	1 237	1 071	909	770	1 567	1 234	2 252
Rental and hiring	13	59				344			
Interest and rent on land									
Interest									
Transfers and subsidies	960	1 228	1 324	1 687	1 829	1 962	1 712	1 791	1 890
Departmental agencies and accounts	734	877	784	837	961	1 222	898	1 181	1 246
Provide list of entities receiving transfers	734	877	784	837	961	1 222	898	1 181	1 246
Households	226	351	540	850	868	740	814	610	644

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Social benefits	226	105	126	850	226	249	814	610	644
Other transfers to households		246	414		642	491			
Payments for capital assets	5 164	12 879	3 152	4 228	5 048	5 074	6 242	4 960	5 237
Buildings and other fixed structures	179								
Buildings	179								
Machinery and equipment	4 904	12 879	3 152	4 228	5 048	5 074	6 242	4 960	5 237
Transport equipment	748	1 045	674				1 255	1 367	1 442
Other machinery and equipment	4 156	11 834	2 478	4 228	5 048	5 074	4 987	3 593	3 795
Software and other intangible assets	81								
Payments for financial assets	30	65	4			25			
Total economic classification	173 026	201 658	207 729	225 076	232 387	232 387	252 611	266 938	288 005

TABLE 11.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	360 282	285 991	278 898	409 927	419 911	419 809	404 770	443 694	479 483
Compensation of employees	130 819	136 428	150 736	169 674	167 284	167 284	185 906	199 278	216 225
Salaries and wages	114 421	119 129	131 865	144 722	142 332	142 571	159 244	169 518	184 829
Social contributions	16 398	17 299	18 871	24 952	24 952	24 713	26 662	29 760	31 396
Goods and services	229 463	149 563	128 162	240 253	252 627	252 525	218 864	244 416	263 258
Administrative fees	417	1 821	1 256	1 600	1 700	1 834	1 342	1 680	1 773
Advertising	844	112	1 710	272	3 862	4 207	777	319	337
Minor assets	410	35	38	751	796	796	861	729	769
Audit cost: External			93	80	80	80	80	92	97
Bursaries: Employees		17					140		
Catering: Departmental activities	620	769	723	1 565	1 823	1 823	970	1 774	1 871
Communication (G&S)	4 790	3 464	2 165	3 340	3 340	3 445	3 499	3 662	3 864
Computer services	145	260	6				3 930	1 606	1 694
Consultants and professional services: Business and advisory services	275	1 368		705	1 525	1 544	180	825	871
Infrastructure and planning	3 611	1 511	803	2 715	3 218	3 218	7 407	9 060	9 688
Laboratory services	127		1	754	1 253	1 253	1 780	2 830	2 986
Legal services		55							
Contractors	8 977	8 457	1 428	21 191	26 211	26 224	27 810	22 593	23 708
Agency and support / outsourced services	461	408					300		
Entertainment									
Fleet services (including government motor transport)									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Inventory: Clothing material and accessories	592	210	604	567	2 252	2 252	1 311	670	707
Inventory: Farming supplies	176 205	93 090	82 550	157 683	159 811	158 285	115 951	146 697	157 368
Inventory: Food and food supplies			1						
Inventory: Fuel, oil and gas	73	107		150	150	150	60	190	200
Inventory: Materials and supplies	1 468	1 373	835	812	582	703	4 422	1 444	1 523
Inventory: Medical supplies	2 632	927	3 320	4 119	3 308	3 309	4 094	5 371	5 666
Inventory: Medicine	1 598	7 433	2 822	8 613	7 783	6 971	10 871	10 383	10 951
Inventory: Other supplies				120	120	120			
Consumable supplies	1 990	1 327	3 169	1 865	1 867	3 032	2 903	2 319	2 446
Consumable: Stationery, printing and office supplies	524	1 133	455	1 629	317	317	405	1 025	1 081
Operating leases	2 507	4 421	820	4 685	3 296	3 296	2 372	5 156	5 440
Property payments	949	582	2 129	4 102	426	536	450	666	703
Travel and subsistence	14 804	12 779	13 832	11 995	17 039	17 082	15 049	14 159	16 938
Training and development	895	3 756	1 688	6 709	6 529	6 588	6 090	5 948	6 275
Operating payments	2 028	1 803	2 061	2 817	2 104	2 160	3 044	3 110	4 080
Venues and facilities	2 480	2 316	5 008	1 394	3 194	3 194	2 513	1 937	2 042
Rental and hiring	41	29	645	20	41	106	253	171	180
Transfers and subsidies	22 624	7 587	10 167	9 549	9 583	9 711	8 988	9 183	9 689
Provinces and municipalities	6 902		5 000	4 000	4 000	4 000			
Municipalities	6 902		5 000	4 000	4 000	4 000			
Municipalities	6 902		5 000	4 000	4 000	4 000			
Departmental agencies and accounts	11 620	3 620					3 320	3 000	3 166
Provide list of entities receiving transfers	11 620	3 620					3 320	3 000	3 166
Higher education institutions	3 786	3 347	3 926	5 291	5 291	5 291	3 734	5 894	6 218
Public corporations and private enterprises							1 533		
Public corporations									
Other transfers									
Households	316	620	1 241	258	292	420	401	289	305
Social benefits	316	620	1 241	258	292	420	401	289	305
Payments for capital assets	24 835	6 680	5 993	13 048	29 554	29 528	18 966	19 268	20 328
Buildings and other fixed structures				10 000	10 000	10 000	13 000	15 289	16 130
Other fixed structures				10 000	10 000	10 000	13 000	15 289	16 130
Machinery and equipment	24 835	6 680	5 993	3 048	19 554	19 528	5 966	3 979	4 198
Transport equipment	20 284	3 532	3 446						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Other machinery and equipment	4 551	3 148	2 547	3 048	19 554	19 528	5 966	3 979	4 198
Payments for financial assets									
Total economic classification	407 741	300 258	295 058	432 524	459 048	459 048	432 724	472 145	509 500

TABLE 11.18: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	205 608	235 493	235 077	268 938	269 968	269 968	281 196	279 200	294 987
Compensation of employees	143 607	152 731	167 314	169 887	179 237	179 237	195 095	203 759	214 966
Salaries and wages	125 303	132 562	145 519	147 953	154 703	154 703	168 506	176 950	186 683
Social contributions	18 304	20 169	21 795	21 934	24 534	24 534	26 589	26 809	28 283
Goods and services	62 001	82 762	67 763	99 051	90 731	90 731	86 101	75 441	80 021
Administrative fees	75	158	299	78	89	102	300	305	322
Advertising	11 139	9 868	10 112	5 844	5 524	6 259	3 300	4 008	4 227
Minor assets	149	18	262	863	742	692	438	409	431
Catering: Departmental activities	458	768	1 130	1 028	1 532	1 620	1 879	1 982	2 092
Communication (G&S)	2 636	2 302	1 402	2 160	1 970	1 802	2 252	2 281	2 256
Computer services	7	131		21	21	21		1	1
Consultants and professional services: Business and advisory services	2 329	2 052	4 406	8 275	8 176	7 534	1 457	1 579	1 568
Infrastructure and planning	3 008	4 701	2 000	500	500	500	342	342	361
Scientific and technological services									
Contractors	8 495	6 023	1 808	14 762	8 213	5 316	2 203	2 303	2 430
Agency and support / outsourced services									
Entertainment									
Inventory: Clothing material and accessories	2 271	1 567	1 793	2 848	2 988	3 079	4 440	2 187	2 305
Inventory: Farming supplies	10 939	34 259	19 544	34 143	37 828	37 397	41 198	34 697	36 433
Inventory: Food and food supplies		153	71						
Inventory: Fuel, oil and gas	323	307	388	1 312	1 300	1 300	562	634	669
Inventory: Learner and teacher support material			6	150	150	150	67	80	84
Inventory: Materials and supplies	1 033	625	658	1 899	1 467	1 971	309	400	422
Inventory: Medical supplies		24	39	400	100	114	983	1 006	1 061
Inventory: Medicine	3	87	108	725	725	725		40	42
Inventory: Other supplies	300						580	580	612
Consumable supplies	512	796	1 193	1 476	4 697	4 750	2 134	2 096	2 212

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Consumable: Stationery, printing and office supplies	93	4	108	50	306	324	281	268	283
Operating leases	155	429	299	412	393	379	498	591	624
Property payments	4 661	5 565	9 966	9 681	1 464	3 705	7 738	2 252	
Travel and subsistence	7 478	7 709	8 920	8 924	9 001	9 387	9 660	10 962	13 893
Training and development	104	388	244	372	262	262	300	422	445
Operating payments	935	895	644	1 156	1 023	1 194	960	1 101	1 162
Venues and facilities	4 639	3 261	922	1 902	1 860	1 748	3 500	4 115	5 241
Rental and hiring	259	672	1 441	70	260	260	720	800	845
Transfers and subsidies	3 264	1 807	1 042	455	466	466	547	642	677
Provinces and municipalities	1 329								
Municipalities	1 329								
Municipalities	1 329								
Public corporations and private enterprises	1 000	1 500							
Public corporations	1 000	1 500							
Other transfers	1 000	1 500							
Households	935	307	1 042	455	466	466	547	642	677
Social benefits	612	307	1 042	455	466	466	547	642	677
Payments for capital assets	21 799	32 207	8 356	30 007	35 895	35 895	23 124	50 638	72 057
Buildings and other fixed structures	18 469	29 171	3 747	24 536	17 790	17 790	2 480	25 696	50 674
Buildings	18 469	29 171	3 747	9 477	2 790	2 790	2 480	24 871	49 804
Other fixed structures				15 059	15 000	15 000		825	870
Machinery and equipment	3 330	3 036	4 609	5 471	18 105	18 105	20 644	24 942	21 383
Transport equipment	1 980	1 202	2 841					4 247	4 481
Other machinery and equipment	1 350	1 834	1 768	5 471	18 105	18 105	20 644	20 695	16 902
Payments for financial assets									
Total economic classification	230 671	269 507	244 475	299 400	306 329	306 329	304 867	330 480	367 721

TABLE 11.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS: COMPREHENSIVE AGRICULTURAL SUPPORT PROGRAMME GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	71 039	83 246	31 972	91 371	105 166	105 166	89 284	98 276	106 384
Compensation of employees	8 010	5 587	3 546	7 000	7 000	7 000	21 975	23 660	16 262
Salaries and wages	7 726	5 582	3 498	6 200	6 200	6 200	20 600	22 250	14 774
Social contributions	284	5	48	800	800	800	1 375	1 410	1 488
Goods and services	63 029	77 659	28 426	84 371	98 166	98 166	67 309	74 616	90 122
Administrative fees	117	1 024	817				942	962	1 015
Consultants and professional services:									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Business and advisory services									
Infrastructure and planning				1 170	1 170	1 170	736	752	793
Contractors	6 210	6 632	174	11 598	11 598	11 598	7 510	8 210	8 662
Inventory: Farming supplies	52 363	64 067	23 076	64 478	78 273	78 273	37 020	42 492	56 231
Inventory: Materials and supplies	139	875	394				1 262	1 365	1 440
Consumable supplies	1 780	20	1 396						
Consumable: Stationery, printing and office supplies	285	773	78				200	240	253
Operating leases							817	825	870
Travel and subsistence	1 072	263	815	1 786	1 786	1 786	5 261	5 370	5 665
Training and development	300	3 425	798	5 339	5 339	5 339	4 140	4 150	4 378
Operating payments			2				2 179	2 178	2 298
Venues and facilities	310	461	498				900	920	971
Transfers and subsidies	9 114	18							
Payments for capital assets	2 301	827	2 352	962	962	962	2 022	1 200	1 266
Machinery and equipment	2 301	827	2 352	962	962	962	2 022	1 200	1 266
Other machinery and equipment	2 301	827		962	962	962	2 022	1 200	1 266
Payments for financial assets									
Total economic classification	82 454	84 091	34 324	92 333	106 128	106 128	91 306	99 476	107 650

TABLE 11.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS: LLIMA/LETSEMA PROJECT GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	24 234	25 870	27 595	30 278	30 278	30 278	31 974	33 733	35 791
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services	24 234	25 870	27 595	30 278	30 278	30 278	31 974	33 733	35 791
Inventory: Farming supplies	24 234	25 870	27 595	30 278	30 278	30 278	31 974	33 733	35 791
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Municipalities									
Municipalities									
Households									
Social benefits									
Other transfers to households									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for capital assets									
Buildings and other fixed structures									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Land and sub-soil assets									
Payments for financial assets									
Total economic classification	24 234	25 870	27 595	30 278	30 278	30 278	31 974	33 733	35 791

TABLE 11.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS: LAND CARE PROGRAMME GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	4 596	4 802	4 123	5 399	5 399	5 399	5 675	5 987	6 316
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services	4 596	4 802	4 123	5 399	5 399	5 399	5 675	5 987	6 316
Inventory: Farming supplies	3 694	4 719	4 123	5 399	5 399	5 399	5 675	5 987	6 316
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Payments for capital assets									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Payments for financial assets									
Total economic classification	4 596	4 802	4 123	5 399	5 399	5 399	5 675	5 987	6 316

TABLE 11.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS: EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 954	2 836	2 684	2 621	2 621	2 621	2 516		
Compensation of employees									
Salaries and wages									
Social contributions									
Goods and services	1 954	2 836	2 684	2 621	2 621	2 621	2 516		
Transfers and subsidies	489								
Provinces and municipalities	489								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Households									
Social benefits									
Other transfers to households									
Payments for capital assets									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Land and sub-soil assets									
Payments for financial assets									
Total economic classification	2 443	2 836	2 684	2 621	2 621	2 621	2 516		

TABLE 11.23: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	2 743								
Ekurhuleni	223								
City of Johannesburg	1 627								
City of Tshwane	893								
Category B									
Emfuleni									
Midvaal									
Lesedi									
Mogale City									
Merafong City									
Rand West City									
Category C	5 488		5 000	4 000	4 000	4 000			
Sedibeng District Municipality	2 818		3 000						
West Rand District Municipality	2 670		2 000	4 000	4 000	4 000			
Unallocated									
Total transfers to municipalities	8 231		5 000	4 000	4 000	4 000			

VOTE 12

DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

To be appropriated by vote in 2019/20	R 1 058 424 000
Responsible MEC	MEC for Sport, Arts, Culture and Recreation
Administering Department	Department of Sport, Arts, Culture and Recreation
Accounting Officer	Head of Department

1. OVERVIEW

Vision

An active, creative and modernised Gauteng City Region (GCR) contributing to sustainable economic growth and social cohesion.

Mission

In pursuit of the above vision, the Department of Sport, Arts, Culture and Recreation (DSACR) will work in an integrated manner to create an enabling environment for radical economic and accelerated social transformation for sporting, artistic and cultural excellence through:

- Facilitating talent identification and development in partnership with key stakeholders;
- Positioning the business of the sporting and creative industries as catalysts for sustainable economic growth;
- Modernising the economy through bidding for, and hosting, major sporting and cultural events;
- Providing universal access to sport, arts, cultural activities, library, archival services and facilities; and
- Identifying, promoting and preserving heritage.

The department's strategic goals are to:

- Transform and modernise sport and create a cultural landscape which contributes to social cohesion and nation building;
- Transform Gauteng economically through the business of creative industries and sport;
- Develop, transform, promote and modernise sustainable library, information and archival services; and
- Develop a capable and activist administration which contributes to a modern developmental state to promote good governance.

Core functions and responsibilities

The core mandate of the DSACR is to provide library and archival services as well as to ensure access, increased participation and transformation of the sports, arts, culture and recreation sectors that benefit all citizens in the province.

Main services:

- Supporting the development of safe and secure communities through the implementation of integrated and sustainable recreational programmes at community level;
- Promoting sustainable livelihoods for artists, crafters and sports people;
- Developing young sporting and artistic talent so that they can take their rightful place in competitive sports and in the mainstream arts and culture sector;
- Implementing school sports mass participation programmes in schools across Gauteng in partnership with the Gauteng Department of Education;
- Rendering library, information and archival services;
- Creating opportunities for the sporting, artistic and cultural sectors to stage major events and tournaments in Gauteng; and
- Promoting nation-building and deepening the democracy through the implementation of heritage programmes such as the commemoration and celebration of national days, heroes and heroines of the liberation struggle as well as developing heritage sites and monuments.

Ten Pillar Programme of the Transformation, Modernisation and Re-industrialisation Strategy

As articulated by the mandate of the fifth administration, the department's programmes are anchored by the Ten Pillar Programme of the Transformation, Modernisation and Re-industrialisation Strategy aimed at radically transforming, modernising and re-industrialising Gauteng over the next five to 15 years.

To transform the structure of the economy and unlock the potential of different sectors, the department's programmes will contribute to:

- Revitalising and building township economies through creative industries and support for township businesses through the procurement of sports equipment and attire;
- Supporting the development of new key projects and programmes that have the potential to address the twin policy imperatives of creating decent employment and greater economic inclusion. The support will be through the digitalisation of archives and libraries, tourism, heritage liberation routes, other heritage programmes and the creative industries as well as the operationalisation of the Provincial Archives Centre, monuments and libraries;
- Expanding youth employment through the EPWP, school sport assistants, water safety instructors, cultural officers and library assistants in all the planned interventions; and
- Upscaling skills development for the Gauteng City Region Economy in partnership with various industry players through people training to deliver school sports, training water safety instructors and athletes through club development and academy programmes to participate in sport; providing bursaries for library science, archival and record management as well as the visual and performing arts.

To accelerate social and economic transformation the following key priorities will be implemented:

The NDP locates sport, recreation, arts and culture at the centre of well-being and social cohesion. In the National Sports Plan, sport is a cross-cutting factor that relates to proposals in the chapters on education, health and nation-building. To realise the NDP's transformative Vision 2030 of participation in sporting codes, the DSACR expands opportunities for participation in sport and recreation by providing a favourable environment for sports development in the province. It also uses arts and culture to foster values and facilitate dialogue and healing thus promoting social cohesion and common understanding. Cultural activities, art, sport and recreation play a major role in facilitating the sharing of common spaces. The use of sport and art foster identity formation, self-expression and value formation as well as contribute to the restoration of pride among diverse groups of South Africans. To achieve this, the department will:

- Build a united province and promote social cohesion, leveraging sport and creative talent to expand inclusive economic opportunities, transform social relations and address social ills such as xenophobia, racism and sexism through implementation of programmes such as the Gauteng Social Cohesion Carnival, themed dialogues and social cohesion games (soccer and rugby), the celebration and commemoration of liberation struggle icons as well as unsung heroes and heroines.
- Consolidate gains in education to further improve the quality of education through the construction and operationalisation of community and modular libraries. The department will implement reading programmes - such as the Born to Read initiative – as well as debates, public speaking, access to information and recreational reading programmes to inculcate a culture of reading and deepening knowledge.
- Promote healthy lifestyles through recreational sporting programmes such as indigenous games, sport for social change, aerobics, fun runs and walks, etc., in communities targeting children, youth, people with disabilities and the elderly. The Nelson Mandela Remembrance Walk will be expanded not only to promote heritage along the route but also to incorporate a fun run to attract fitness-conscious people. Learn to Swim - which is a water-safety educational programme - will also be implemented to ensure the reduction of incidences of drowning among the people of Gauteng.
- Transform spatial development patterns, ensure decent living conditions and sustainable human settlements through the construction of community libraries and community multi-purpose sport and recreation facilities; operationalise provincial archives and monuments (Kagiso Memorial, Women's Living Heritage and Boipatong Monuments).
- Expand community-based sport and cultural amenities across the Gauteng City Region. In addition to the libraries and multipurpose sport courts, the department will continue to plan and construct new community libraries.
- Ensure effective measures to promote arts and culture which include the provision of financial support to artists so enabling the creation of work opportunities and expressing national creativity and developing sectoral determination legislation frameworks to protect arts-sector employees.
- Strengthen collaboration and cooperation between local and the provincial government to enhance integrated planning and service delivery through political and technical inter-governmental relations as well as cluster and hub programmes.

External activities and events relevant to budget decisions

The rapid in-migration to Gauteng from other provinces and neighbouring countries presents challenges for programme implementation. The demand for services far outweighs the supply which creates a mismatch with the resources available. This migration to the province affects the work of the department and directly influences decisions as well as how limited resources should be used. The in-migration shapes the province's demographics. According to the Statistics South Africa mid-year population estimates 2017, almost half (40%) of the population living in Gauteng were in-migrants and according to the 2015 Quality of Life Survey. Provincial population growth is estimated at 3.5 per cent. This does not necessarily translate into related budgetary increases and has a huge impact on programme planning and levels of service delivery. Constraints on the fiscus, owing to the larger economic context, have had a substantive impact on conditional grants supporting mass participation and creation as well as community libraries.

Acts, rules and regulations

- Gauteng Provincial Language Act (Act No. 3 of 2016);
- Gauteng Provincial Archives and Records Act (Act No.5. 2013);
- National Sport and Recreational Act (No. 110 of 1998, as amended in 2007);
- Gauteng Heritage Resources Regulations (Jan 2003, Notice 103 of 2003, Volume 9, No 4);
- National Council for Library and Information Services Act (Act No. 6 of 2001);
- National Heritage Resources Act, 1999 (Act No. 25 of 1999);
- National Heritage Council Act, 1999 (Act No. 11 of 1999);
- South African Geographical Names Council Act, 1998 (Act No. 118 of 1998);
- Culture Promotion Amendment Act, 1998 (Act No. 59 of 1998);
- Gauteng Arts and Culture Council Act (Act No. 11 of 1998);
- National Library for the Blind Act (Act No. 91 of 1998);
- National Arts Council Act, 1997 (Act No. 56 of 1997);
- Legal Deposit Act (Act No. 54 of 1997);
- National Archives and Record Services of South Africa Act (Act No. 43 of 1996);
- Pan South African Language Board Act, 1995 as amended (PANSALB) (Act No. 59 of 1995); and
- Heraldry Act, 1962 (Act No. 18 of 1962).

Generic national good governance legislation

- Public Service Act, 1994 (as amended) and Public Service Regulations, 2016;
- Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005);
- Broad Based Black Economic Empowerment Act, 2003;
- Promotion of Access to Information Act, 2000;
- Promotion of Administrative Justice Act, 2000;
- Preferential Procurement Policy Framework Act, 2000;
- Public Finance Management Act (PFMA), 1999 and Treasury Regulations Act, 1999;
- Employment Equity Act, 1998;
- Skills Development Act, 1998;
- Basic Conditions of Employment Act, 1997;
- South African Qualifications Authority Act, 1995;
- Labour Relations Act, 1995, as amended;
- Public Service Act, 1994, as amended; and
- Occupational Health and Safety Act, 1993.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

ACCELERATED SOCIAL TRANSFORMATION

Output 1: Improved quality basic education through school sport

The department implemented the school sport programme in partnership with the Gauteng Department of Education (GDE) and the National Department of Sport and Recreation. District and provincial school sport tournaments were hosted as part of school sport games. This benefited 21 917 learners of which 971 are learners with special educational needs. Furthermore, 14 school sport structures were supported for coordinating and implementing winter games and 54 school sport coordinators assisted with the delivery of school sport programmes. The water safety programme benefitted a total of 576 people (277 males and 299 females), to date, who participated. This programme has been implemented to also reduce drowning of people, particularly children, in the province.

Improved quality basic education through library reading programmes

In an effort to inculcate the culture of reading and enhance knowledge to Gauteng citizens, the department implemented several library reading programmes during the year under review. These included recreational reading programmes, spelling bee and word ruffle competitions, youth month programmes as well as library holiday programmes conducted at various libraries, day care centres and old age homes throughout the five corridors. In the year under review, these programmes benefited a total of 6 946 people (3 689 males and 3 257 females).

Output 2: Arts in Schools Carnival

Carnival arts and culture programmes were implemented with 110 Gauteng schools benefitting and 6 600 learners participated in the Gauteng Social Cohesion Carnival. The Gauteng Social Cohesion Carnival was held on 24 September 2018 in Tshwane and was attended by approximately 42 000 people. This prestigious event kicked off with the 6.8 km walk to the National Heritage Museum, through to the Fountains Valley and ended at the Union Buildings in Tshwane. The official opening was led by the Premier of Gauteng, Mr David Makhura, who was joined by the former Executive Mayor of the City of Tshwane, to celebrate the 100 years of Madiba and Albertina Sisulu as heroes and heroines of South Africa.

Output 3: Recreational Siyadlala Hub Programme

The department hosted seven active recreational programmes which enhanced active participation by communities to promote healthy lifestyles and physical well-being. A total of 131 813 actively participated in organised active recreational events. These included sports for social change, Move for Health, indigenous games, the Minister's outreach programme, aerobics, and fun walks/runs as well as the June, September and December holiday programmes.

Output 4: Theatre, dance and music programmes

In the period under review, the department financially supported various arts and culture events. These events assisted the province to achieve social cohesion by attracting approximately 28 000 people as audiences and creating about 5 020 temporary jobs. These were the Back to the City Hip Hop Festival on 27 April 2018, the Bassline Fest on 26 May 2018, the Soweto Music Festival on 30 June 2018, the Moretele Park Tribute to Heroes Concert on 1 September 2018, the Brown Dash Music Festival on 29 September 2018, the 7th Annual South African Hip Hop Awards 2018 held on 19 December 2018 and the DJ Shimza's 10th Annual One Man Show Festival 2018 on 25 December 2018. Furthermore, six Puisano live music auditions, three showcases and two performing arts programme were hosted.

Output 5: Creative arts programme

Three arts and culture programmes (dance, drama and music) were implemented in the five corridors. These include events such as the contemporary Motjeko Dance Festival; the Gauteng Ishashalazi Community Theatre Awards; South African School Choir Eistedford in Hammanskraal; Child Protection Day; Shanel one in Art theatre event; IGM festival, Clap and Tap and brass bands; Impumelelo Organisation Women Celebration; Provincial Basetsana scriptwriting and directing workshop; Poneelopele Arts Festival; Mshni Maskandi Music Festival; Izitheleo Gospel Awards; the Arts Ability Workshop in partnership with the Ladysmith Black Mambazo Academy and a flagship music programme called the Gauteng Afro-Choral Music

Output 6: National/significant days commemorative events

To celebrate national and significant days, five large-scale events were commemorated with various themes during the period under review. The department hosted Freedom Day on 27 April 2018 at the Khutsong Stadium in Carletonville which was attended by more than 8 000 participants, Youth Day on 16 June 2018 at the Orlando Stadium in Soweto which was attended by more than 15 000 people, Mandela Day on 18 July 2018 at the at AME Church in Kliptown with 300 people attending, Women's Day on 9 August 2018 in Tshwane under the theme '100 years of Albertina Sisulu, Woman of Fortitude' which was attended by more than 20 000 participants and Heritage Day on 24 September 2018 - through the Social Cohesion Carnival – which was attended by more than 42 000 participants.

The department identified and honoured 297 unsung heroes and heroines of the liberation struggle in partnership with stakeholders. The identified heroes and heroines were part of the Sharpeville Massacre and Vaal uprisings and the Winterveldt Massacre. Furthermore, the department identified and commemorated five heroes and heroines who were victims of the June 1976 uprisings and were killed by the security forces in Alexandra on 18 June 1976.

Output 7: Heritage resources

Women's Living Heritage Monument (WLHM): The Department of Infrastructure Development concluded the construction of WLHM and the monument was officially handed over to the Department of Sport, Arts, Culture and Recreation on 8 August 2018. A cleaning services subcontractor was appointed in September 2018.

Boipatong Memorial and Youth Centre: Funds have been transferred to the Sedibeng District Municipality for operationalisation. The curator is currently implementing skills transfer to the seconded staff members from Sedibeng.

Kagiso Memorial and Recreational Centre: Cleaning and gardening services are currently running at the centre. Arts and culture programmes are being implemented on a daily basis at the centre.

Further, 168 promotional interventions on national symbols and orders were conducted to create and promote awareness on national symbols and national identity. The department promoted social cohesion by hosting eight events, namely Youth Day; Africa Day; lesbian, gay, bisexual, transgender and/or intersex (LGBTI)-themed community dialogues; the launch of Women’s Day; the 2018 Gauteng Women in Sports Dialogue; a dialogue with Tshwane Traditional Leaders; and the “Centenary of Bantu Women’s League and the lives of times of Mama Charlotte Manyax-Maxeke and Mama Albertina Nonsikelelo Sisulu” on 26 October 2018.

Output 8: Youth camp

The 2018 Youth Camp was held from 1 – 8 December 2018 at Camp Discovery in Hammanskraal to benefit a total of 250 participants. This total included 148 male participants, 102 female participants and 30 Persons with Disabilities (PwD) (17 male and 13 female). The theme of this camp was “Creating a winning Nation”. Activities undertaken during the youth camp included programmes to promote social cohesion, good leadership and community outreach programmes

Output 9: Sport development

In the period under review, a total of 1 747 athletes were supported by the sport academies and 683 people were provided with an Entry Level Coaches Seminar and the International Coaches Congress for Sport Performance (ICCSP) Seminar. A total of 48 local leagues were supported and these include the Netball Leagues, Basketball League, Hockey League, Disability Darts League and Gymnastics Leagues. Thirty-five clubs participated in the rural sport development programme.

RADICAL ECONOMIC TRANSFORMATION

Output 1: Craft hub centres

The product and enterprise development programmes were implemented in seven craft hubs. The department supported 197 crafters to exhibit their products at 18 market access initiatives platforms such as the South African Hand Made Decorex, the OR Tambo Narrative Centre in Ekurhuleni as well as the Sharpeville arts and craft market.

Output 2: Filming

Ten film productions were financially supported. A total of 2 479 people were trained in the film sector, 100% film permits for productions were facilitated and 1 246 temporary jobs were directly created in the film sector. These jobs were created through various productions such as AmaATM’s, Evolution of Hip Hop, Tsa Pitori, Salvation, Letters of Hope, Durban International Film Festival Talent Campus, Easy Way to the Fall short film, African American feature film, Round table documentary, Womb Dance documentary, Westbury Pushers documentary and the Basetsana Directing and Scriptwriting Camp. Furthermore, seven productions for broadcast platforms were supported.

Output 3: Financial aid

Adjudication for the 30 community structures was done from 11 – 14 September 2018 and the required applications were approved. Therefore, payments will be processed in the fourth quarter of the 2018/19 financial year. The Provincial Archives Centre was officially opened by the Gauteng Premier on 24 October 2018. The data fibre link and server room has been installed. Records from various departments are being received and archived.

Output 4: Competitive sport

The department hosted eight sports events in the period under review. These are the Arnold Classic Africa event benefitting a total of 18 127 athletes, the Gauteng Boxing Champions Challenge that took place on 18 May 2018 at the Sandton Convention Centre, the 2018 Premier Social Cohesion Rugby Game which was held from 8 – 9 June 2018, Shell Helix Ultra Cup local event which was an offseason football event that took place on 21 July 2018, the Madiba Night Boxing Tournament which is a community event that was hosted on 11 August 2018, the Gauteng Women in Sport dialogue that took place on 13 October 2018, the 2018 Old Mutual Soweto Marathon 25th edition which occurred on 4 November 2018 and the SA Open Gold Tournament which was hosted from 6 – 9 December 2018.

MODERNISATION OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT DECISIVE SPATIAL TRANSFORMATION

Output 4: Library Infrastructure Projects

The department supported the following 10 municipalities financially in the third quarter of 2018/19s: City of Johannesburg Metropolitan Municipality, City of Tshwane Metropolitan Municipality, Ekurhuleni Metropolitan Municipality, Emfuleni Local Municipality, Lesedi Local Municipality, Midvaal Local Municipality, Merafong City Local Municipality, Mogale City Local Municipality, Rand-West District Municipality and West Rand District Municipality. This funding was for the construction and operationalisation of libraries in the municipalities.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

ACCELERATED SOCIAL TRANSFORMATION

Output 1: Improved quality basic education through school sport

The department will implement the School Sport Mass Participation Programme in partnership with the GDE and National Department of Sport and Recreation. This will be done in accordance with directives from SRSA and will focus on under-privileged schools as identified by the GDE. Events to be implemented include learners participating in school sport tournaments at district level. This will provide opportunities to approximately 32 000 learners. Around 1 500 people - which includes learners - will benefit from the Learn to Swim Programme in the 2019/20 financial year and six focus schools will be supported to promote excellence in sports. Furthermore, 56 school sport coordinators will be appointed and training programmes for 510 people to deliver school sports programmes, will be conducted to improve the standard of school sport in the province. This will also ensure continuity of the programme at schools.

Output 2: Creative Arts Programme: Arts in school

The Arts in Schools Strategy will be implemented, in partnership with the GDE and the National Department Arts and Culture, with an emphasis on art-focused schools. The department will coordinate and facilitate the implementation of Carnival Arts (performing and/or visual) and culture programmes in 110 schools. Arts and culture programmes (dance, drama and music) will be implemented in schools.

Output 3: Recreational Siyadlala Hub Programme

The mass participation programme will be implemented in decentralised hubs, within the communities of Gauteng, to provide an opportunity for 162 500 community members to participate in 51 organised active recreation sport events to embrace a healthy and active lifestyle. These programmes will include Premier's Social Cohesion Programmes, aerobics, indigenous games, Move for Health, weekly fun runs/walks and sport for social change programmes. In partnership with the Gauteng Department of Social Development and the Gauteng Department of Health, the Active Ageing Programme will be introduced in more old age homes in the province in support of long and healthy lifestyles. Holiday programmes will also be implemented to keep young people and learners engaged during school holidays to keep them busy and away from social ills.

Output 4: Theatre, dance and music programmes

Five visual arts programmes will be implemented in public spaces and five visual arts exhibitions will be conducted in the coming financial year. These will be organised to develop and promote arts and culture which will contribute to social as well as economic benefits for artists. The department will continue to host seven Puisano Live Music Showcases and support two sector initiatives. The department will explore all opportunities to implement the Music Strategy focusing on seven Puisano live music showcases and the Gauteng Carnival so that musicians and other related industries gain maximum benefit from the programmes offered. This should enable them to create sustainable livelihoods for themselves and have access to various platforms to display their talents and skills for the benefit of the province.

Output 5: National and Historical days commemorative events

The department will work closely with strategic partners to continue to host and/or co-host six national day events to promote accelerated social transformation in the province. These days include Freedom Day on 27 April 2019, Youth Day on 16 June 2019, Mandela Day on 18 July 2019, Women's Day on 9 August 2019, Heritage Day on 24 September 2019 and Human Rights Day on 21 March 2020. The department will commemorate four prominent heroes and heroines of the liberation struggle as well as 400 unsung liberation struggle heroes and heroines.

Output 6: Heritage resources

The department will support three monuments - Kagiso, Women's Living Heritage Monument and Boipatong - in an attempt to preserve, promote and protect the heritage resources. Geographical names awareness campaigns will be implemented. Promotional intervention on national symbols and orders will be conducted through the distribution of AU and national flags, national identity booklets, constitution preamble posters to Gauteng schools.

Output 7: Youth camp

In partnership with other role players, one provincial youth camp will be hosted with 200 youth participants. This will provide youth at risk with valuable life skills. The primary objective is to develop the youth and empower them with the requisite values and knowledge that can assist them to become responsible, conscious citizens and strengthen their sense of patriotism, cultural diversity and national identity. This will contribute to creating safer and more secure communities.

Output 8: Sport development

The Sport Development Plan for Gauteng will be rolled out and will assist with the targeted approach to sports development. Capacity-building and training programmes for coaches, technical officials and administrators will be conducted. The department will continue to host the Annual Gauteng Sport Awards, support 160 clubs, 27 hubs and 430 schools with equipment and attire. The department will continue to support six academies and 1 600 athletes through the sport academies programme. OR Tambo/Soncini Games as well as the Premier's Social Cohesion Games will be hosted in the coming financial year. Furthermore, the Learn to Swim Programme - to promote water safety - will be implemented in all corridors to reduce instances of drowning in the province.

RADICAL ECONOMIC TRANSFORMATION**Output 1: Craft hub centres**

The department will explore all opportunities to implement the Craft Strategy so that crafters and other related industries gain maximum benefit from the programmes offered. The department will focus on implementing enterprise and product development in seven craft hubs. Furthermore, it will facilitate five market access initiatives - such as the Soweto Expo - to display their talents and skills which will benefit them economically. The department is aiming to improve skills levels by training 60 emerging fashion designers and visual artists benefitting from a mentorship programme. It will also implement capacity-building programme which will benefit 300 practitioners.

Output 2: Film

The department will continue to create an enabling environment for all role players in the film sector to ensure that individuals, organisations and companies benefit from filming through the Gauteng Film Commission (GFC). It will actively position the province as a niche market for filming in the coming financial year.

Output 3: Financial Aid

The department will provide funding to 10 municipalities for the operationalisation of community libraries in accordance with the directives of the National Department of Arts and Culture through the Community Library Conditional Grant. Seven organisations will be financially supported to assist in inculcating the culture of reading. The department will also provide funding to 60 community structures in the arts and culture sectors as well as in the sport and recreation sectors whose missions are aligned with radical economic transformation. The department will also partner with sector rights holders to implement programmes in line with the provincial bidding and hosting strategy.

Output 4: Sport, arts and culture events

The province will continue to bid for, and host, national and international sport, arts and culture events through strategic partnerships as per approved agreements. Such opportunities will be leveraged by supporting and coordinating the attraction of nine sporting events such as Arnold Classic Africa, Future Champions Gauteng, Sunshine Tour Golf Tournament, Rugby Premier Social Cohesion, Professional Boxing, Gauteng Women in Sport Dialogue, Gauteng Women's Football Tournament, Soweto Marathon, Gauteng Ultra Marathons as well as seven arts and culture events including the Gauteng Social Cohesion Carnival. The programmes also contribute to the modernisation of the economy by supporting the development of township enterprises and SMMEs that produce goods and services (sport equipment and attire) that meet the needs of township residents as well as by creating jobs to Gauteng citizens.

MODERNISATION OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT DECISIVE SPATIAL TRANSFORMATION**Output 1: Library infrastructure projects**

The department will continue to plan for five new libraries (Mullerstuine, Kocksoord, Savannah City, Mammelo and Zurbekom). To modernise community libraries continuously, one library (Mohlakeng ext. 3) will be upgraded. Workstations for visually impaired individuals will be installed.

Output 2: Provincial archives services

The department will continue to conduct 26 registry inspections within governmental bodies. Six archives and records management training sessions will be provided for archives and records managers to improve library, information and archival services. The registries of governmental bodies will be inspected to assist them with complying with legislative requirements regarding records management in Gauteng.

4. REPRIORITISATION

To deliver on the mandate of the department, the budget baseline over the 2019 MTEF is re-prioritised to redirect funding to priority policy and programme areas and to ensure that the available resources are spent on the strategic goals and objectives.

For the 2019/20 financial year, the department is re-prioritising as follows:

- An amount of R17 million is re-prioritised to goods and services in Programme 1: Administration to fund the purchasing of Microsoft licences and IT services as the department will be procuring computers for new employees.
- Programme 2: Cultural Affairs re-prioritised an amount of R5 million from goods and services to heritage assets to fund the heritage component of the Women’s Living Heritage Monument. An amount of R1.5 million is reprioritised to pay the rental portion of the g-fleet vehicles.
- Programme 3: Library and Archive Services re-classified an amount of R35 million from the item buildings and other fixed structures to Goods and services because the department intends to make the existing libraries which were constructed in previous financial years functional.
- An amount of R19.7 million which was allocated to the combi courts in Programme 4: Sport and Recreation is re-classified from Transfer payments to machinery and equipment and good services in line with the Classification Circular 21 of 2018. This amount includes funding set aside for the rental portion of the G-Fleet vehicles to ensure that the corridor model is functional. The procurement of ancillary services - which includes catering, transport, promotional materials, marketing and communications - enables the department to deliver objectives specific to the department that are not the responsibility of the non-profit institution or entity.

5. PROCUREMENT

The procurement plans of the department are aligned to the planned projects and budgets. These also comply with government guidelines, policies and regulations for effective and principled procurement to reflect the Five Pillars of Procurement. The department continues to ensure that the procurement of services is done in a timely manner to avoid any negative impact on service delivery.

Key tenders from the previous financial year are finalised and the tender - pertaining to the removal and transport of archival records - will be re-advertised in the 2019/20 financial year.

The major procurement that the department will undertake relates to the hosting of major events, the celebration of commemorative days, the construction and operationalisation of community libraries as well as the provision of multipurpose sports facilities in communities.

The corridor-based programmes of the department will continue to support and empower township-based enterprises. The department will continue to engage communities and has commenced with a database of the small businesses based in the townships, working in partnership with the Gauteng Provincial Treasury’s Vendor Management unit which assists enterprises to become compliant and thus do business with the government.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 12.1: SUMMARY OF RECEIPTS: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Equitable share	539 458	580 009	651 963	685 177	705 007	705 007	796 417	860 232	890 485
Conditional grants	255 466	268 992	260 981	257 475	303 189	303 189	262 007	276 218	292 829
Community Library Services Grant	162 602	181 152	172 770	168 530	214 244	214 244	167 784	177 681	188 003
Mass Participation and Sport Development Grant	89 864	83 616	84 509	85 482	85 482	85 482	92 223	98 537	104 826
Expanded Public Works Programme Integrated Grant For Provinces	2 000	2 024	2 206	2 000	2 000	2 000	2 000		
Social Sector Expanded Public Works Programme Incentive Grant For Provinces	1 000	2 200	1 496	1 463	1 463	1 463			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Total receipts	794 924	849 001	912 944	942 652	1 008 196	1 008 196	1 058 424	1 136 450	1 183 314

The department is funded through provincial equitable share and national conditional grants. Provincial equitable share increased by 21 per cent from R539.5 million in 2015/16 to R651.9 million in the 2017/18 financial year. The increase was owing to additional funds received for the construction of the Provincial Archives Centre, the operationalisation of monuments as well as the bidding and hosting of events namely the Under 17 Future Champions Tournament, the Southern Sunshine Golf Tournament, the Arnold Games and annual inflationary growth.

Conditional grants increased slightly by 2 per cent from R255.5 million in 2015/16 to R260.9 million in 2017/18 owing to an increase in the Community Libraries Services grant for the construction and operationalisation of community libraries. The Mass Participation and Sport Development Grant also increases over the 2019 MTEF from R92.2 million in 2019/20 to R104.8 million in 2021/22. The aim is to increase and sustain participation in sport and recreational activities and to improve capacity to deliver these activities.

The total equitable share increases from an adjustment budget of R705 million in 2017/18 to R796.4 million in the 2018/19 financial year mainly due to inflation and additional funding allocated for creative industries, social cohesion and the operationalisation of libraries. An amount of R6.7 million is added to baseline of the department in the 2020/21 financial year to fund the Tri-colour Games. The equitable share over the 2019 MTEF increases by 17 per cent from R796.4 million in 2019/20 to R891.6 million in the 2021/22 financial year owing to inflationary based growth and the carry-through effect of additional funding allocated to the department in the 2019/20 financial year. The conditional grants increase from R262 million in 2019/20 to R292.3 million in the 2021/22 financial year to fund the construction and operationalisation of the libraries and to strengthen transformation within communities and social cohesion through sport and recreational activities.

6.2 Departmental receipts

TABLE 12.2: SUMMARY OF DEPARTMENTAL RECEIPTS: DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	291	302	307	311	316	316	312	329	347
Interest, dividends and rent on land	162	228	19	14	14	14	15	16	17
Sales of capital assets					12	12			
Transactions in financial assets and liabilities	206	61	50	72	280	280	76	80	84
Total departmental receipts	659	591	376	397	622	622	403	425	448

The department's revenue-generating capacities are limited. As a result, revenue collected consists mainly of parking fees for officials, recoveries of expenditure or payments regarding claims for the recovery of goods or services. Other revenue sources include miscellaneous interest from debt recoveries and commission received for collection of insurance premiums. The department decreased its collection by 43 per cent from R659 000 in 2015/16 to R376 000 in 2017/18 owing to the reduced collection of debts by the collecting agency. The 2019 MTEF total departmental receipts will increase by 11 per cent from R403 000 in 2019/20 to R448 000 in 2021/22.

7. PAYMENT SUMMARY

7.1 Key assumptions

The key assumptions that were taken into account in formulating the 2019 MTEF estimates are as follows:

- The number of staff required and the continued implementation of the organisational structure;
- The continued implementation of the strategic plan of the department which is aligned to the TMR Agenda and sector priorities;
- Basic salary costs including improvements to conditions of service adjustment from 1 April each year;
- Increase of benefits such as medical aid and home owners' allowance based on bargaining council agreements;

- Inflation on related items such as goods and services based on headlines CPI projections; and
- The upgrading and operationalisation of infrastructure facilities.

7.2 Programme summary

TABLE 12.3: SUMMARY OF PAYMENTS AND ESTIMATES: SPORT, ARTS, CULTURE, AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	130 629	143 873	146 680	128 192	155 646	155 646	151 321	161 010	165 597
2. Cultural Affairs	113 430	177 196	170 684	205 456	205 458	205 458	225 575	264 484	286 839
3. Library And Archives Services	278 178	255 512	212 664	300 538	324 991	324 991	353 990	336 219	355 242
4. Sport And Recreation	182 096	233 531	262 547	308 466	322 101	322 101	327 538	374 737	375 636
Total payments and estimates	704 333	810 112	792 575	942 652	1 008 196	1 008 196	1 058 424	1 136 450	1 183 314

7.3 Summary of economic classification

TABLE 12.4: SUMMARY OF ECONOMIC CLASSIFICATION: SPORT, ARTS, CULTURE AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	386 916	482 153	459 321	593 107	556 779	556 760	631 663	726 360	775 016
Compensation of employees	183 836	214 855	233 755	307 713	284 491	284 472	340 594	357 247	377 255
Goods and services	202 493	267 085	225 556	285 394	272 285	272 285	291 069	369 113	397 761
Interest and rent on land	587	213	10		3	3			
Transfers and subsidies to:	155 391	176 525	231 978	264 369	252 285	252 304	299 204	322 546	339 588
Provinces and municipalities	103 111	126 116	128 062	139 598	139 656	139 656	176 653	187 954	197 593
Departmental agencies and accounts	25 993	28 397	29 016	30 434	34 434	34 434	37 500	39 589	41 760
Non-profit institutions	25 249	19 974	72 047	94 237	76 547	76 547	83 308	93 361	98 502
Households	1 038	2 038	2 853	100	1 648	1 667	1 743	1 642	1 733
Payments for capital assets	161 636	150 465	101 276	85 176	199 132	199 132	127 557	87 544	68 710
Buildings and other fixed structures	152 774	137 055	94 241	61 636	152 708	152 708	69 667	46 846	27 000
Machinery and equipment	8 646	13 317	7 035	23 540	35 629	35 629	52 427	40 698	41 710
Heritage Assets					10 625	10 625	5 463		
Software and other intangible assets	216	93			170	170			
Payments for financial assets	390	969							
Total economic classification	704 333	810 112	792 575	942 652	1 008 196	1 008 196	1 058 424	1 136 450	1 183 314

The department's expenditure increased by R105.8 million from R704.3 million in 2015/16 to R810.1 million in 2016/17 due to the construction of the Women's Living Heritage Monument, the Provincial Archive Centre and sport infrastructure projects.

The expenditure on compensation of employees increased from R183.8 million in 2015/16 to R233.7 million in 2017/18. Goods and services increased by R23 million from R202.5 million in 2015/16 to R225.5 million in 2017/18 owing to the bidding and hosting of events and the operationalisation of the monuments.

Actual transfers and subsidies increased from R155.4 million in 2015/16 to R176.5 million in 2016/17 owing to an increase in transfers to municipalities for the construction and operationalisation of libraries.

The total budget increases from a main appropriation of R942.7 million in 2018/19 to R1.1 billion in the 2019/20 financial year. The increase is because of the additional funding allocated for the operationalisation of libraries to ensure that communities benefit from these facilities. Moreover, the increase is also owing to additional funding of R5.3 million allocated

to the Gauteng Film Commission for creative industries, which will fund script and content development aimed at major social issues such as education, health and elections. The department also allocated funding towards a feasibility study on the need for new community libraries in the province and the implementation of regional offices in different corridors.

The total departmental allocation increases from R1.1 billion in 2019/20 to R1.2 billion in the 2020/21 financial year owing to increases in funding earmarked for infrastructure projects, arts, sport, and the construction and operationalisation of libraries.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2019 Estimates of Capital Expenditure (ECE)

7.4.2 Departmental Public-Private-Partnership (PPP) projects

N/A

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.5.2 Transfers to other entities

TABLE 12.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Gauteng Film Commission	25 993	27 397	28 767	30 435	34 435	34 435	37 500	39 589	41 760
Total departmental transfers	25 993	27 397	28 767	30 435	34 435	34 435	37 500	39 589	41 760

The expenditure of the Gauteng Film Commission (GFC) increased from R25.9 million in 2015/16 to R28.7 million in the 2017/18. The 2019 MTEF allocation increases from R37.5 million in 2019/20 to R41.8 million in 2021/22. This is due to additional funding totalling R16.9 million over the 2019 MTEF for creative industries. This will fund script and content development aimed at major social issues such as education, health and elections. Further to that, decentralising access to post-production and research facilities in the townships, funding of equipment as well as access to film services and marketing and distribution is a contributing factor. The funding will support partnerships in TV and film studios, training institutions, broadcasting houses and funding institutions.

7.5.3 Transfers to local government

TABLE 12.6: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	42 030	43 120	40 017	45 000	46 820	46 820	60 000	64 500	68 000
Category B	58 578	79 696	85 245	89 420	87 658	87 658	111 338	118 000	124 000
Category C	2 503	3 300	2 800	2 800	2 800	2 800	5 315	5 454	5 593
Unallocated									
Total departmental transfers	103 111	126 116	128 062	137 220	137 278	137 278	176 653	187 954	197 593

The expenditure increased from R103 million in 2015/16 to R128 million in 2017/18 because of an increase in transfers to Category A and B municipalities for the construction and operationalisation of libraries.

The transfers under Category A municipalities decreased from R42 million in the 2015/16 to R40 million in 2017/18. The expenditure under Category B increased from R58.6 million in 2015/16 to R85.2 million in 2017/18. These increases were because of the ongoing operationalisation of the community libraries.

Over the 2019 MTEF, the total transfer allocation increases from R176.6 million in 2019/20 to R197.6 million in 2021/22 to make provision for the operationalisation and digitalisation of the exiting libraries thereby ensuring that communities have well-resourced and functioning libraries in support of a culture of reading and writing.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The aim of the Administration Programme is to provide political and strategic direction and to support the department by providing corporate management services. It primarily contributes to SACR Strategic Goal: A capable and activist administration which contributes to a modern developmental state to promote good governance.

Programme objectives

Provide innovative and integrated strategic support services.

TABLE 12.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The Mec	9 308	6 554	7 432	7 660	9 956	9 956	7 260	8 536	9 006
2. Corporate Services	121 321	137 319	139 248	120 532	145 690	145 690	144 061	152 474	156 591
Total payments and estimates	130 629	143 873	146 680	128 192	155 646	155 646	151 321	161 010	165 597

TABLE 12.8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	125 365	137 572	144 106	125 908	151 632	151 613	145 981	157 019	161 885
Compensation of employees	82 185	95 764	103 224	88 397	112 764	112 745	106 232	112 555	118 745
Goods and services	42 603	41 595	40 872	37 511	38 865	38 865	39 749	44 464	43 140
Interest and rent on land	577	213	10		3	3			
Transfers and subsidies to:	620	724	213		572	591	929	973	1 027
Provinces and municipalities									
Households	620	724	213		572	591	929	973	1 027
Payments for capital assets	4 559	4 688	2 361	2 284	3 442	3 442	4 411	3 018	2 685
Buildings and other fixed structures	783	43							
Machinery and equipment	3 776	4 645	2 361	2 284	3 272	3 272	4 411	3 018	2 685
Software and other intangible assets					170	170			
Payments for financial assets	85	889							
Total economic classification	130 629	143 873	146 680	128 192	155 646	155 646	151 321	161 010	165 597

The total expenditure of this programme increased by 12 per cent from R130.6 million in 2015/16 to R146.7 million in 2017/18 with the Sub-programme: Corporate Services contributing the largest share to the total.

Expenditure on compensation of employees increased by 18 per cent from R82.2 million in 2015/16 to R103.2 million in 2017/18 owing to cost-of-living adjustments and other salary-related costs. Goods and services expenditure decreased by 4 per cent from R42.6 million in 2015/16 to R40.8 million in 2017/18 due to the implementation of cost-containment measures.

Transfers and subsidies increased from R620 000 in 2015/16 to R724 000 in 2016/17 owing to an increase in leave gratuity payments.

Payments for capital assets decreased by 47.8 per cent from R4.6 million in 2015/16 to R2.4 million in 2017/18 due to decentralisation of the machinery and equipment budget to the core programmes. The 2019 MTEF allocation for capital assets decreases by 38.6 per cent from R4.4 million in 2019/20 to R2.7 million in 2021/22 as the need for new furniture and office equipment will be addressed in the 2019/20 financial year.

The 2019 MTEF allocation increases from R151.3 million in 2019/20 to R165.6 million in 2021/22 to ensure that good governance is enhanced and service delivery is improved. The increase in the 2019 MTEF allocation for goods and services of 8.6 per cent from R39.7 million in 2019/20 to R43.1 million in 2021/22 is because of inflationary adjustments. The increase in the 2019 MTEF allocation for compensation of employees of 11.8 per cent from R106.2 million in 2019/20 to R118.7 million in 2021/22 is owing to the implementation of the new organisational structure and cost of living adjustments over the three years.

PROGRAMME 2: CULTURAL AFFAIRS

Programme description

The aim of the Cultural Affairs Programme is to identify, develop, support, promote, preserve and protect arts and heritage resources in the province. In so doing, the programme contributes to the following DSACR strategic goals by:

- Enhancing the implementation of integrated and sustainable arts, culture and recreation programmes; and
- Transforming Gauteng economically through creative and cultural industries.

Programme objectives

- Repositioning and retaining Gauteng as the home of creative industries through intensified talent identification development and nurturing in arts and culture.
- Cultivating, facilitating and enhancing a conducive environment, which will allow Gauteng to excel in the creative industry.
- Hosting and retaining major events cultural events.
- Accelerating the transformation of the provincial heritage landscape.
- Promoting and fostering constitutional values and multilingualism.

TABLE 12.9: SUMMARY OF PAYMENTS AND ESTIMATES: CULTURAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Management	6 290	6 968	9 735	7 766	12 535	12 535	7 968	8 473	8 940
2. Arts & Culture	71 010	102 008	90 547	111 550	104 307	104 700	136 320	148 386	163 276
3. Heritage Resource Services	34 414	66 400	68 358	82 183	87 137	86 744	76 909	103 106	109 854
4. Language Services	1 716	1 820	2 044	3 957	1 479	1 479	4 378	4 519	4 769
Total payments and estimates	113 430	177 196	170 684	205 456	205 458	205 458	225 575	264 484	286 839

TABLE 12.10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	74 313	106 869	100 209	162 190	121 633	121 633	164 932	210 147	229 532
Compensation of employees	21 683	29 229	32 650	60 269	41 150	41 150	77 504	82 248	86 773
Goods and services	52 630	77 640	67 559	101 921	80 483	80 483	87 428	127 899	142 759
Interest and rent on land									
Transfers and subsidies to:	37 556	38 379	44 398	39 812	44 652	44 652	48 015	50 019	52 756
Provinces and municipalities				2 378	2 378	2 378	2 515	2 654	2 793
Departmental agencies and accounts	25 993	28 397	29 016	30 434	34 434	34 434	37 500	39 589	41 760
Non-profit institutions	11 461	9 944	13 208	7 000	7 700	7 700	8 000	7 776	8 203
Households	102	38	2 174		140	140			
Payments for capital assets	1 265	31 948	26 077	3 454	39 173	39 173	12 628	4 318	4 551

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Buildings and other fixed structures	1 145	30 000	24 407		27 800	27 800	2 000		
Machinery and equipment	120	1 948	1 670	3 454	748	748	5 165	4 318	4 551
Heritage Assets					10 625	10 625	5 463		
Software and other intangible assets									
Payments for financial assets	296								
Total economic classification	113 430	177 196	170 684	205 456	205 458	205 458	225 575	264 484	286 839

The total expenditure increased from R113.4 million in 2015/16 to R170.7 million in 2017/18 owing to an increase in arts and cultural projects, operationalisation of the hubs and memorials and their contents, and the increase in transfers to the Gauteng Film Commission.

The expenditure on compensation of employees increased by R11 million from R21.7 million in 2015/16 to R32.7 million in 2017/18 owing to the filling of vacant posts in line with the recruitment plan. Expenditure recorded under goods and services increased from R52.6 million in 2015/16 to R67.6 million in 2017/18 mainly because of the operationalisation of the monuments and hubs.

The overall programme budget increases from a main budget of R205.5 million in 2018/19 to R225.6 million in 2019/20 mainly because of additional funding allocated to conduct a feasibility study on the implementation of regional offices in different corridors. Furthermore, additional funding was also allocated to the GFC which will fund script and content development aimed for major social issues.

The increase in compensation of employees from R60.3 million in 2018/19 main budget to R77.5 million in 2019/20 is because of the permanent appointment of contract workers and the re-alignment of the personnel budget. Staff working in the hubs were moved from Programme 4: Sport and Recreation and Programme 1: Administration since they provide services for cultural activities as per the new organisational structure. The transfers and subsidies allocation increases from a main budget of R39.8 million in 2018/19 to R48 million in 2019/20 because additional funding was allocated to the GFC for creative industries and inflationary-related growth.

The 2019 MTEF allocation increases by R61.2 million per cent from an amount of R225.6 million in 2019/20 to R286.8 million in 2021/22 mainly because of the carry-through effect of additional funding allocated in the 2019/20 financial year and inflationary related adjustments to sustain the provision of services by the programme which include ongoing support of the three heritage sites, namely Boipatong, Kagiso and the Women's Living Heritage Monuments.

SERVICE DELIVERY MEASURES

PROGRAMME 2: CULTURAL AFFAIRS

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of community structures supported	60	60	70	70
Number of community conversation/dialogues conducted	9	9	9	9
Number of practitioners benefitting from capacity building programmes	270	300	350	350
Annual Gauteng social cohesion Carnival hosted	Gauteng social cohesion Carnival hosted	Gauteng social cohesion Carnival hosted	Gauteng social cohesion Carnival hosted	Gauteng social cohesion Carnival hosted
Number of jobs opportunities created through the Gauteng Social Cohesion Carnival	3 544	3 544	3 550	3 600
Number of craft hubs implementing product development products	6	7	7	7
Number of Puisano live music showcases hosted	8	7	7	7
Number of arts and culture events supported (signature, local and community)	6	6	6	6
Number of market access initiatives implemented	5	5	5	5
Number of national and historical days celebrated	6	6	6	6
Number of promotional interventions on National Symbols and Orders conducted	30	50	60	70
Number of oral history project undertaken	1	2	2	2
Number of language coordinating structures supported	1	1	1	1
Number of the unsung heroes and heroines of the liberation struggle honoured	300	400	450	500

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of prominent heroes and heroines of the liberation struggle commemorated	3	4	5	5
Number of heritage monuments supported	3	3	3	3
number of temporary jobs created in the sector through production support	484	534	533	533
Number of productions funded by GFC	19	20	24	24
Number of individuals trained in the film industry	450	550	550	550

PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

Programme description

The purpose of the programme is to establish and maintain community libraries that provide access to knowledge, resources and services to meet the needs of individuals and groups for education, information and personal development. Libraries, as knowledge hubs, achieve the broad imperatives of socio-economic development and nation building.

The programme contributes to DSACR strategic goal: "Develop, transform, promote and modernise a sustainable library information and archives service."

Programme objectives

- Expand and recapitalise community-based facilities;
- Modernise libraries in terms of technological transformation;
- Inculcate a culture of reading to enhance knowledge;
- Transform and modernise the governance of library and information services; and
- Collect, preserve the knowledge base and provide access to the province's archival records.

TABLE 12.11: SUMMARY OF PAYMENTS AND ESTIMATES: LIBRARY AND ARCHIVES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Management	5 241	1 193	1 106	1 801	1 696	1 696	6 802	7 142	7 534
2. Library Services	143 652	179 308	164 344	251 761	288 896	288 896	311 053	292 564	306 727
3. Archives	129 285	75 011	47 214	46 976	34 399	34 399	36 135	36 513	40 981
Total payments and estimates	278 178	255 512	212 664	300 538	324 991	324 991	353 990	336 219	355 242

TABLE 12.12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	21 562	16 264	20 968	83 297	63 725	63 725	95 727	100 894	112 502
Compensation of employees	10 462	8 279	7 001	46 090	22 840	22 840	37 424	39 714	41 899
Goods and services	11 100	7 985	13 967	37 207	40 885	40 885	58 303	61 180	70 603
Interest and rent on land									
Transfers and subsidies to:	103 212	127 492	130 858	140 220	139 239	139 239	177 952	188 969	198 671
Provinces and municipalities	103 111	126 116	128 062	137 220	137 278	137 278	174 138	185 300	194 800
Non-profit institutions		400	2 439	2 900	1 500	1 500	3 000	3 000	3 165
Households	101	976	357	100	461	461	814	669	706
Payments for capital assets	153 395	111 676	60 838	77 021	122 027	122 027	80 311	46 356	44 069
Buildings and other fixed structures	150 846	106 325	59 727	60 436	105 422	105 422	61 111	30 178	27 000
Machinery and equipment	2 333	5 258	1 111	16 585	16 605	16 605	19 200	16 178	17 069
Software and other intangible assets	216	93							
Payments for financial assets	9	80							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Total economic classification	278 178	255 512	212 664	300 538	324 991	324 991	353 990	336 219	355 242

The total expenditure in the programme decreased from R278.2 million in 2015/16 to R212.7 million in 2017/18 because of the delay in the construction of the Provincial Archive Centre which is now at the final stage.

Compensation of employees decreased from R10.5 million in 2015/16 to R7 million in 2017/18 owing to the delay in the appointment of staff for the operationalisation of the Provincial Archive Centre.

Actual transfers and subsidies increased by R27.6 million from R103.2 million in 2015/16 to R130.8 million in 2017/18 because of transfers to municipalities for the operationalisation of community libraries.

Payments for capital assets decreased from R153.3 million in 2015/16 to R60.8 million in 2017/18 due to delays in finalising the construction of infrastructure projects.

The total allocation increased from a main budget of R300.5 million in 2018/19 to R353.9 million in 2019/20 because of the additional funding allocated for the construction of five new libraries in Mullerstuine, Kocksoord, Savannah City, Mammelo, and Zurbekom. The 2019 MTEF allocation to compensation of employees increases from R37.4 million in 2019/20 to R41.9 million in 2021/22 as a result of the operationalisation of the Provincial Archive Centre which will take place over the 2019 MTEF. The allocation to transfers and subsidies increases from R177.9 million in 2019/20 to R198.6 million in 2021/22 for the operationalisation and the digital modernisation of libraries. In 2019/20 the department allocated a budget to conduct a feasibility study on the need for new community libraries and to complete libraries currently under construction. The allocation to payments for capital assets decreases from R80.3 million in 2019/20 to R44.1 million in 2021/22 owing to the completion of infrastructure projects in the 2019/20 financial year.

SERVICE DELIVERY MEASURES

PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of library materials procured(books)	150	160	160	160
Number of new libraries built	6 under construction	Planning for 5		
Number of existing facility upgraded for public library purposes		1		
Number of library community outreach programmes in libraries conducted	4	4	4	4
Number of library community outreach programmes in archives conducted	3	3	3	3
Number of municipalities financially supported to provide library services	10	10	10	10
Number of library subscriptions renewed	6	6	6	6
Number of oral history programmes conducted		2	2	
Number of archival management training sessions conducted	6	6	6	6
Number of workstations for the virtually impaired individuals established in libraries	7	7	7	7

PROGRAMME 4: SPORT AND RECREATION

Programme description

The aim of the programme is to promote sport and recreation as well as school sport, facilitate talent identification and promote sport development as well as high performance to make Gauteng the home of champions.

Programme objectives

- Re-position and retain Gauteng as the Home of Champions through intensified talent identification, development and nurturing in sport;
- Transform and promote socially inclusive sport and recreational programmes;
- Expand community-based sport facilities;
- Create a competitive edge to enhance Gauteng as a cornerstone for business in sport; and
- Create an enabling environment for growth in the sport and recreation sector by identifying and developing talents towards excellence.

Key policies, priorities and outputs

- National sport plan

TABLE 12.13: SUMMARY OF PAYMENTS AND ESTIMATES: SPORT AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Management	11 340	7 959	7 722	8 054	10 372	10 538	8 062	8 804	9 287
2. Sport	61 167	105 879	112 562	140 786	132 043	132 177	138 723	162 950	175 423
3. Recreation	70 028	80 413	102 287	119 877	139 378	139 182	137 099	152 676	137 851
4. School Sport	39 561	39 280	39 976	39 749	40 308	40 204	43 654	50 307	53 075
Total payments and estimates	182 096	233 531	262 547	308 466	322 101	322 101	327 538	374 737	375 636

TABLE 12.14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	165 676	221 448	194 038	221 712	219 789	219 789	225 023	258 300	271 097
Compensation of employees	69 506	81 583	90 880	112 957	107 737	107 737	119 434	122 730	129 838
Goods and services	96 160	139 865	103 158	108 755	112 052	112 052	105 589	135 570	141 259
Interest and rent on land	10								
Transfers and subsidies to:	14 003	9 930	56 509	84 337	67 822	67 822	72 308	82 585	87 134
Non-profit institutions	13 788	9 630	56 400	84 337	67 347	67 347	72 308	82 585	87 134
Households	215	300	109		475	475			
Payments for capital assets	2 417	2 153	12 000	2 417	34 490	34 490	30 207	33 852	17 405
Buildings and other fixed structures		687	10 107	1 200	19 486	19 486	6 556	16 668	
Machinery and equipment	2 417	1 466	1 893	1 217	15 004	15 004	23 651	17 184	17 405
Payments for financial assets									
Total economic classification	182 096	233 531	262 547	308 466	322 101	322 101	327 538	374 737	375 636

The increase in expenditure from R182.1 million in 2015/16 to R262.5 million in 2017/18 is mainly attributed to expenditure incurred on hosting/co-hosting of major national events.

The expenditure on compensation of employees increased by R21.4 million from R69.5 million in 2015/16 to R90.9 million in 2017/18 because of the re-alignment of the personnel budget in the department which resulted in staff being moved from other programmes.

Expenditure on goods and services increased from R96.2 million in 2015/16 to R103.2 million in 2017/18 owing to the implementation of bidding and hosting of major events in the province in collaboration with the Office of the Premier.

Payments for capital assets increased from R2.4 million in 2015/16 to R12 million in 2017/18 due to the upgrading of sporting facilities in communities.

The 2019 MTEF budget increases from R327.5 million in 2019/20 to R375.6 million in 2021/22 mainly because of the continuation of Premier's Social Cohesion Integrated Holidays Programme as well as bidding and hosting projects. Additional funding allocated to the programme is for the Tri-Colour Games in the 2020/21 financial year, social cohesion over the 2019 MTEF and the infrastructure projects relating to construction, repairs and restoration sports facilities.

The allocation to compensation of employees increases from R119.4 million in 2019/20 to R129.8 million in 2021/22 because of the permanent appointment of contract workers in the hubs and cost of living adjustments to salaries. The allocation to transfers and subsidies increases from R72.3 million in 2019/20 to R87.1 million in 2021/22 which is mainly attributable to support provided to organisations for the coordination of major signature sporting events and academies.

SERVICE DELIVERY MEASURES**PROGRAMME 4: SPORT AND RECREATION**

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of schools, hubs and clubs provided with equipment and/or attire as per the established norms and standards	410 Schools	430 schools	450 schools	450 schools
	27 Hubs	27 Hubs	27 Hubs	27 Hubs
	160 Clubs	160 Clubs	170 Clubs	170 Clubs
Number of sport academies supported	6	6	6	6
Number of athletes supported by the sport academies	1 600	1 600	1 600	1 600
Number of people trained to deliver the sport academy Programme	550	600	620	620
Number of people participating in the Water Safety Programme	1 500	1 500	2 000	2 000
Number of sport and recreation projects implemented by Provincial Sports Confederation	5	3	3	3
Annual Gauteng Sport Awards hosted	Gauteng Sport Awards hosted	Gauteng Sport Awards hosted	Gauteng Sport Awards hosted	Gauteng Sport Awards hosted
Number of local leagues supported	38	40	42	42
Annual Mandela Remembrance Walk and Run hosted	Mandela Remembrance Walk and Run hosted	Mandela Remembrance Walk and Run hosted	Mandela Remembrance Walk and Run hosted	Mandela Remembrance Walk and Run hosted
Number of sport events supported (major, community, local and signature events)	9	9	9	9
Number of people trained in the hubs to deliver Siyadlala mass participation programme	205	205	200	200
Number of people actively participating in organised active recreation events	161 700	162 500	163 000	164 000
Number of Minister's Outreach programme facilitated and coordinated	1	1	1	1
Number of youth participating at the National Youth Camp	250	200	200	200
Number of sport and recreation events organised and implemented	51	51	51	51
Number of people trained to deliver school sports programmes	500	510	530	530
Number of learners participating in school sport tournaments at a district level	31 500	18 500	32 500	32 500
Number of learners supported to participate in the National School Sports competition	778	658	778	778
Number of school sports coordinators remunerated	54	56	58	58
Number of clubs participating in rural sport development programme	30	40	45	45
OR Tambo Soncini games held	1	1	1	1
Number of sport focused schools supported	6	6	6	6

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and cost

The staff headcount shows an increase from 666 in 2015/16 to 802 in 2017/18 due to the appointment of employees in line with the recruitment plan. The personnel expenditure increased from R183.8 million in 2015/16 to R244.6 million in 2017/18 owing to the annual increment and the appointment of employees.

The increase in compensation of employees of the department over the 2019 MTEF is because of the planned implementation of the new organisational structure. It is guided by a new service delivery model. Provincial head office houses the administration of the department and the corridor offices interface with the communities at an operational level. There are five corridor offices and 27 hubs. In order to maximise efficiencies, the 27 hubs are modelled along municipal service delivery regions to deliver timeous and informed integrated services in the respective communities. The department will continue to work closely with local municipalities to ensure delivery of synergistic and seamless services. The increase in compensation of employees, of 10.7 per cent from R307.7 million in 2018/19 main budget to R340.6 million in 2019/20, is therefore informed by the implementation of the new organisational structure and correlates with the headcount growth from 743 in 2018/19 to 875 in 2019/20.

TABLE 12.15: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: SPORT, ARTS, CULTURE AND RECREATION

R thousands	Actual						Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF				
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22				
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total		
Salary level																			
1 – 6	95	17 309	380	31 293	393	37 840	322	2	324	54 267	281	58 443	281	62 242	281	65 664	(5%)	7%	18%
7 – 10	273	82 946	301	109 955	326	124 311	284	46	330	137 978	459	182 849	459	189 199	459	199 604	12%	13%	52%
11 – 12	51	37 137	57	31 034	53	30 391	48	10	58	49 315	84	60 030	84	63 331	84	66 814	13%	11%	18%
13 – 16	34	36 623	31	27 099	30	41 213	16	15	31	42 913	33	35 893	33	37 867	33	39 952	2%	(2%)	12%
Other	213	9 821	33	15 474					18	3 379	18	3 379	18	4 608	18	5 220	0%	0%	1%
Total	666	183 836	802	214 855	802	233 755	670	73	743	284 472	875	340 594	875	357 247	875	377 255	6%	10%	100%
Programme																			
1. Administration	256	82 185	186	95 764	186	103 224	156	32	188	112 745	238	106 232	238	112 555	238	118 745	8%	2%	34%
2. Cultural Affairs	109	21 683	175	29 229	175	32 650	169	12	181	41 150	203	77 504	203	82 248	203	86 773	4%	28%	21%
3. Library And Archives Services	17	10 462	32	8 279	32	7 001	70	2	72	22 840	92	37 424	92	39 714	92	41 899	9%	22%	10%
4. Sport And Recreation	284	69 506	409	81 583	409	90 880	275	27	302	107 737	342	119 434	342	122 730	342	129 838	4%	6%	35%
Direct charges																	0%	0%	0%
Total	666	183 836	802	214 855	802	233 755	670	73	743	284 472	875	340 594	875	357 247	875	377 255	6%	10%	100%

9.2 Training

TABLE 12.16: INFORMATION ON TRAINING: SPORT, RECREATION, ARTS AND CULTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	666	802	802	743	743	743	875	875	875
Number of personnel trained	310	350	368	389	389	389	411	434	434
of which									
Male	130	150	158	167	167	167	176	186	186
Female	180	200	210	222	222	222	235	248	248
Number of training opportunities	82	78	82	87	87	87	102	104	104
of which									
Tertiary	45	40	42	44	44	44	55	55	55
Workshops	30	30	32	33	33	33	35	37	37
Seminars	2	5	5	6	6	6	6	6	6
Other	5	3	3	3	3	3	6	6	6
Number of bursaries offered	75	48	145	45	45	45	55	55	55
Number of interns appointed	50	60	60	38	38	38	30	30	30
Number of learnerships appointed	100	16	30	30	30	30	30	32	32
Number of days spent on training	100	100	105	111	111	111	117	123	123
Payments on training by programme									
1. Administration	1 200	2 899	2 786	3 010	3 010	3 010	3 316	3 498	3 690
2. Cultural Affairs	260	223	550	575	575	575	607	640	675
3. Library And Archives Services	60	455	221	290	290	290	307	324	342
4. Sport And Recreation	320	28	600	642	642	642	678	715	754
Total payments on training	1 840	3 605	4 157	4 517	4 517	4 517	4 908	5 177	5 461

The department continues to build capacity and improve the efficiency and effectiveness of staff members by encouraging participation in skills development programmes, management development programmes and bursary opportunities. In line with the government priority to build the capacity of the state and to operate as a developmental state, the department continues to provide internship, learnership and bursary opportunities to young people in the province. The allocation for the 2019 MTEF increased from R4.9 million in 2019/20 to R5.5 million in 2021/22 which is intended for capacity-building and skills development as per the departmental work skills plan.

9.3 Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 12.17: SPECIFICATION OF RECEIPTS: SPORT, RECREATION, ARTS AND CULTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	291	302	307	311	316	316	312	329	347
Sale of goods and services produced by department (excluding capital assets)	291	302	307	311	316	316	312	329	347
Sales by market establishments	234	233	222	225	230	230	225	237	250
Administrative fees	57	69	85	86	86	86	87	92	97
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land	162	228	19	14	14	14	15	16	17
Interest	162	228	19	14	14	14	15	16	17
Sales of capital assets					12	12			
Transactions in financial assets and liabilities	206	61	50	72	280	280	76	80	84
Total departmental receipts	659	591	376	397	622	622	403	425	448

TABLE 12.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT, RECREATION, ARTS AND CULTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	386 916	482 153	459 321	593 107	556 779	556 760	631 663	726 360	775 016
Compensation of employees	183 836	214 855	233 755	307 713	284 491	284 472	340 594	357 247	377 255
Salaries and wages	161 692	190 233	206 539	267 409	246 921	246 959	294 236	310 870	328 329
Social contributions	22 144	24 622	27 216	40 304	37 570	37 513	46 358	46 377	48 926
Goods and services	202 493	267 085	225 556	285 394	272 285	272 285	291 069	369 113	397 761
Administrative fees	118	306	1 074	500	443	443	353	574	606
Advertising	5 125	18 539	13 211	17 112	11 157	11 113	10 402	14 510	15 847
Minor assets	1 174	811	1 397	2 728	3 582	3 259	5 007	4 888	5 158
Audit cost: External	4 417	4 296	5 845	2 817	5 334	5 334	4 700	5 467	5 768
Bursaries: Employees	1 197	916	1 235	472	1 095	1 095	1 200	1 203	1 269
Catering: Departmental activities	8 235	16 382	21 392	21 712	23 571	21 552	29 913	29 330	31 222
Communication (G&S)	5 217	5 238	4 754	4 871	6 046	5 945	8 390	11 204	10 764
Computer services	2 529	4 890	11 816	3 586	5 750	6 496	6 783	6 483	6 234
Consultants and professional services: Business and advisory services	522	862	1 328	1 737	2 640	2 479	3 168	1 552	1 638
Legal services	3 903	6 447	2 141	1 963	1 873	1 704	1 000	1 473	1 554
Contractors	45 559	89 334	51 009	64 657	58 000	55 922	52 821	87 732	96 679
Agency and support / outsourced services	45 163	23 767	4 590	7 165	2 292	2 310	5 865	8 191	9 107
Entertainment									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Fleet services (including government motor transport)	1 466	3 031	4 352	3 460	4 102	4 139	6 842	7 439	7 849
Inventory: Clothing material and accessories									
Inventory: Food and food supplies									
Inventory: Learner and teacher support material								2 460	3 095
Inventory: Materials and supplies	16 343	9 487	21 709	18 431					
Inventory: Medical supplies				900					
Inventory: Other supplies			721	11 000	39 478	38 635	43 724	40 935	43 259
Consumable supplies	979	2 672	4 986	10 302	6 624	6 725	8 746	10 566	12 768
Consumable: Stationery, printing and office supplies	3 349	3 250	4 865	7 429	4 880	4 426	5 701	7 605	8 024
Operating leases	938	4 302	4 823	436	5 749	5 749	7 927	7 991	6 812
Property payments	12 175	15 987	10 847	15 681	16 574	16 728	22 659	19 099	22 607
Transport provided: Departmental activity	15 067	22 293	20 801	24 705	22 114	23 692	17 330	30 136	31 334
Travel and subsistence	7 327	12 162	12 011	19 185	24 488	25 875	21 590	33 500	35 343
Training and development	3 627	3 580	5 584	10 244	6 835	7 071	8 417	9 581	10 107
Operating payments	6 778	4 939	4 323	10 712	9 281	9 578	7 104	11 196	12 313
Venues and facilities	11 285	13 594	10 742	23 589	10 377	12 015	11 427	15 998	18 404
Rental and hiring									
Interest and rent on land	587	213	10		3	3			
Interest	587	213	9		3	2			
Transfers and subsidies	155 391	176 525	231 978	264 369	252 285	252 304	299 204	322 546	339 588
Provinces and municipalities	103 111	126 116	128 062	139 598	139 656	139 656	176 653	187 954	197 593
Municipalities	103 111	126 116	128 062	139 598	139 656	139 656	176 653	187 954	197 593
Municipalities	103 111	126 116	128 062	139 598	139 656	139 656	176 653	187 954	197 593
Departmental agencies and accounts	25 993	28 397	29 016	30 434	34 434	34 434	37 500	39 589	41 760
Provide list of entities receiving transfers	25 993	28 397	29 016	30 434	34 434	34 434	37 500	39 589	41 760
Non-profit institutions	25 249	19 974	72 047	94 237	76 547	76 547	83 308	93 361	98 502
Households	1 038	2 038	2 853	100	1 648	1 667	1 743	1 642	1 733
Social benefits	338	938	343		670	642			
Other transfers to households	700	1 100	2 510	100	978	1 025	1 743	1 642	1 733
Payments for capital assets	161 636	150 465	101 276	85 176	199 132	199 132	127 557	87 544	68 710
Buildings and other fixed structures	152 774	137 055	94 241	61 636	152 708	152 708	69 667	46 846	27 000
Buildings	1 145	30 687	77 049	60 436	151 508	151 508	64 111	30 178	27 000
Other fixed structures	151 629	106 368	17 192	1 200	1 200	1 200	5 556	16 668	

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Machinery and equipment	8 646	13 317	7 035	23 540	35 629	35 629	52 427	40 698	41 710
Transport equipment	3 042	2 235	1 302	342	5 242	5 531	7 000	7 194	6 871
Other machinery and equipment	5 604	11 082	5 733	23 198	30 387	30 098	45 427	33 504	34 839
Software and other intangible assets	216	93			170	170			
Payments for financial assets	390	969							
Total economic classification	704 333	810 112	792 575	942 652	1 008 196	1 008 196	1 058 424	1 136 450	1 183 314

TABLE 12.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	125 365	137 572	144 106	125 908	151 632	151 613	145 981	157 019	161 885
Compensation of employees	82 185	95 764	103 224	88 397	112 764	112 745	106 232	112 555	118 745
Salaries and wages	72 203	84 772	91 535	75 799	97 553	97 534	90 770	96 243	101 536
Social contributions	9 982	10 992	11 689	12 598	15 211	15 211	15 462	16 312	17 209
Goods and services	42 603	41 595	40 872	37 511	38 865	38 865	39 749	44 464	43 140
Administrative fees	65	42	687	81	137	137	56	61	64
Advertising	519	601	856	679	895	737	800	715	754
Minor assets	138	132	17	631	2 563	2 221	1 004	623	657
Audit cost: External	4 417	4 296	5 845	2 817	5 185	5 185	4 700	5 467	5 768
Bursaries: Employees	1 197	916	1 235	472	1 095	1 095	1 200	1 203	1 269
Catering: Departmental activities	321	259	679	647	795	795	1 509	1 047	1 105
Communication (G&S)	3 044	2 823	3 977	1 739	4 014	3 971	3 618	4 636	3 836
Computer services	1 315	4 810	10 612	3 236	4 500	4 500	6 082	4 754	4 409
Consultants and professional services:									
Business and advisory services			527	1 677	535	408	877	974	1 028
Legal services	3 677	6 447	2 141	1 963	1 873	1 704	1 000	1 473	1 554
Contractors	178	1 169	700	984	491	660	140	306	323
Agency and support / outsourced services	5 274	3 080	390	3 039	249	249	75	762	803
Entertainment									
Fleet services (including government motor transport)	831	1 382	2 152	2 686	1 315	1 358	1 800	3 204	3 381
Inventory: Clothing material and accessories									
Inventory: Food and food supplies									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Consumable supplies	614	777	1 490	253	1 232	1 450	867	982	1 036
Consumable: Stationery, printin	2 531	2 254	1 415	1 899	1 860	1 406	2 050	2 160	2 279

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
g and office supplies									
Operating leases		1 772	1 703	336	2 084	2 084	2 969	3 789	1 887
Property payments	6 509	5 042	3 058	4 732	4 732	4 355	4 800	5 397	5 694
Transport provided: Departmental activity	326	533	202		2	2		63	66
Travel and subsistence	3 608	1 368	1 650	3 056	2 548	2 813	2 727	3 316	3 499
Training and development	3 602	3 105	567	1 377	1 377	1 636	1 997	1 524	1 608
Operating payments	2 080	509	566	2 382	920	920	829	1 495	1 578
Venues and facilities	2 357	278	403	2 825	463	709	649	513	542
Interest and rent on land	577	213	10		3	3			
Interest	577	213	9		3	2			
Transfers and subsidies	620	724	213		572	591	929	973	1 027
Households	620	724	213		572	591	929	973	1 027
Social benefits	65	288	48		84	103			
Other transfers to households	555	436	165		488	488	929	973	1 027
Payments for capital assets	4 559	4 688	2 361	2 284	3 442	3 442	4 411	3 018	2 685
Buildings and other fixed structures	783	43							
Buildings									
Other fixed structures	783	43							
Machinery and equipment	3 776	4 645	2 361	2 284	3 272	3 272	4 411	3 018	2 685
Transport equipment	1 241	1 389	713		988	1 057	1 200	1 376	1 451
Other machinery and equipment	2 535	3 256	1 648	2 284	2 284	2 215	3 211	1 642	1 234
Software and other intangible assets					170	170			
Payments for financial assets	85	889							
Total economic classification	130 629	143 873	146 680	128 192	155 646	155 646	151 321	161 010	165 597

TABLE 12.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: CULTURAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	74 313	106 869	100 209	162 190	121 633	121 633	164 932	210 147	229 532
Compensation of employees	21 683	29 229	32 650	60 269	41 150	41 150	77 504	82 248	86 773
Salaries and wages	19 713	26 336	29 296	52 725	37 133	37 190	69 539	73 844	77 908
Social contributions	1 970	2 893	3 354	7 544	4 017	3 960	7 965	8 404	8 865
Goods and services	52 630	77 640	67 559	101 921	80 483	80 483	87 428	127 899	142 759
Administrative fees	8	27	40	58	58	58	22	67	71
Advertising	1 411	2 853	4 743	6 636	4 571	4 600	2 583	6 792	7 166
Minor assets		103	19	350	189	208	1 389	434	459
Catering: Departmental activities	4 457	6 895	10 000	10 994	8 882	6 863	14 096	13 635	16 106
Communication (G&S)	395	402	23	1 007	686	628	1 115	4 073	4 297

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Computer services	261					712		794	838
Consultants and professional services:									
Business and advisory services	522	862	801	60	1 805	1 805	1 936	578	610
Legal services									
Contractors	8 987	21 533	20 357	38 760	28 689	26 542	29 708	52 161	59 650
Agency and support / outsourced services	21 173	10 007	1 095	1 896	269	287	60	1 911	2 023
Fleet services (including government motor transport)			10		812	812	1 110	871	919
Consumable supplies	236	837	2 514	3 102	1 132	1 132	1 702	1 089	1 148
Consumable: Stationery, printing and office supplies	671	468	1 258	3 140	1 317	1 317	2 104	3 536	3 731
Operating leases	934	2 486	3 120		3 665	3 665	4 578	3 222	3 891
Property payments	5 616	10 945	6 195	8 930	9 009	9 149	11 171	7 766	8 193
Transport provided: Departmental activity	4 186	12 012	8 965	10 793	9 405	10 983	4 922	14 107	14 883
Travel and subsistence	1 172	3 778	2 403	1 951	3 269	3 527	3 226	3 549	3 744
Training and development		70	458	918	1 446	1 423	1 785	1 262	1 331
Operating payments	1 259	776	214	1 824	961	1 069		2 256	2 380
Venues and facilities	1 342	3 586	5 344	10 343	4 318	5 703	5 921	9 796	11 319
Transfers and subsidies	37 556	38 379	44 398	39 812	44 652	44 652	48 015	50 019	52 756
Departmental agencies and accounts	25 993	28 397	29 016	30 434	34 434	34 434	37 500	39 589	41 760
Provide list of entities receiving transfers	25 993	28 397	29 016	30 434	34 434	34 434	37 500	39 589	41 760
Non-profit institutions	11 461	9 944	13 208	7 000	7 700	7 700	8 000	7 776	8 203
Households	102	38	2 174		140	140			
Social benefits	58	38	130						
Other transfers to households	44		2 044		140	140			
Payments for capital assets	1 265	31 948	26 077	3 454	39 173	39 173	12 628	4 318	4 551
Buildings and other fixed structures	1 145	30 000	24 407		27 800	27 800	2 000		
Buildings	1 145	30 000	24 407		27 800	27 800	2 000		
Machinery and equipment	120	1 948	1 670	3 454	748	748	5 165	4 318	4 551
Transport equipment	39		61		342	342	3 000	481	503
Other machinery and equipment	81	1 948	1 609	3 454	406	406	2 165	3 837	4 048
Payments for financial assets	296								
Total economic classification	113 430	177 196	170 684	205 456	205 458	205 458	225 575	264 484	286 839

TABLE 12.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: LIBRARY AND ARCHIVES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	21 562	16 264	20 968	83 297	63 725	63 725	95 727	100 894	112 502
Compensation of employees	10 462	8 279	7 001	46 090	22 840	22 840	37 424	39 714	41 899
Salaries and wages	9 581	7 517	6 290	40 664	19 234	19 234	30 574	35 019	36 946
Social contributions	881	762	711	5 426	3 606	3 606	6 850	4 695	4 953
Goods and services	11 100	7 985	13 967	37 207	40 885	40 885	58 303	61 180	70 603
Administrative fees	45	154	115	101	194	194	89	57	60
Advertising	619	648	1 777	3 187	3 186	3 065	2 685	1 618	1 707
Minor assets	567	555	1 223	1 546	514	514	2 047	3 246	3 425
Catering: Departmental activities	188	486	677	1 307	1 497	1 497	1 670	505	532
Communication (G&S)	71	76		828	337	337	441	1 036	1 093
Computer services	853	80	1 204	350	1 250	1 284	701	935	987
Consultants and professional services: Business and advisory services					300	266	355		
Legal services	226								
Contractors	30	46	148	973	1 789	1 689	7 916	5 472	6 273
Agency and support / outsourced services	5 088	288	963		59	59	2 695	2 621	3 224
Fleet services (including government motor transport)	17	34	88	558	259	201	1 309	642	677
Inventory: Learner and teacher support material								2 460	3 095
Inventory: Other supplies			721	11 000	15 124	15 124	16 193	19 368	20 453
Consumable supplies	96	728	579	6 697	4 082	3 886	5 734	7 675	9 719
Consumable: Stationery, printing and office supplies	80	297	838	964	691	691	833	673	710
Property payments	27		1 592	1 700	2 514	2 905	6 688	5 583	8 348
Transport provided: Departmental activity	57	49	73	100	412	412	30	50	53
Travel and subsistence	392	725	433	1 438	1 023	911	1 295	1 248	1 316
Training and development	25	311	463	1 288	1 040	1 040	1 367	1 224	1 291
Operating payments	2 534	3 234	2 685	4 470	6 124	6 124	5 675	5 667	6 479
Venues and facilities	185	274	388	600	341	537	200	120	127
Transfers and subsidies	103 212	127 492	130 858	140 220	139 239	139 239	177 952	188 969	198 671
Provinces and municipalities	103 111	126 116	128 062	137 220	137 278	137 278	174 138	185 300	194 800
Municipalities	103 111	126 116	128 062	137 220	137 278	137 278	174 138	185 300	194 800
Municipalities	103 111	126 116	128 062	137 220	137 278	137 278	174 138	185 300	194 800
Non-profit institutions		400	2 439	2 900	1 500	1 500	3 000	3 000	3 165
Households	101	976	357	100	461	461	814	669	706

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Social benefits		312	56		111	64			
Other transfers to households	101	664	301	100	350	397	814	669	706
Payments for capital assets	153 395	111 676	60 838	77 021	122 027	122 027	80 311	46 356	44 069
Buildings and other fixed structures	150 846	106 325	59 727	60 436	105 422	105 422	61 111	30 178	27 000
Buildings			42 535	60 436	105 422	105 422	61 111	30 178	27 000
Other fixed structures	150 846	106 325	17 192						
Machinery and equipment	2 333	5 258	1 111	16 585	16 605	16 605	19 200	16 178	17 069
Transport equipment	86	79	30		70	70	300	525	554
Other machinery and equipment	2 247	5 179	1 081	16 585	16 535	16 535	18 900	15 653	16 515
Software and other intangible assets	216	93							
Payments for financial assets	9	80							
Total economic classification	278 178	255 512	212 664	300 538	324 991	324 991	353 990	336 219	355 242

TABLE 12.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SPORT AND RECREATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	165 676	221 448	194 038	221 712	219 789	219 789	225 023	258 300	271 097
Compensation of employees	69 506	81 583	90 880	112 957	107 737	107 737	119 434	122 730	129 838
Salaries and wages	60 195	71 608	79 418	98 221	93 001	93 001	103 353	105 764	111 939
Social contributions	9 311	9 975	11 462	14 736	14 736	14 736	16 081	16 966	17 899
Goods and services	96 160	139 865	103 158	108 755	112 052	112 052	105 589	135 570	141 259
Administrative fees		83	232	260	54	54	186	389	411
Advertising	2 576	14 437	5 835	6 610	2 505	2 711	4 334	5 385	6 220
Minor assets	469	21	138	201	316	316	567	585	617
Bursaries: Employees									
Catering: Departmental activities	3 269	8 742	10 036	8 764	12 397	12 397	12 638	14 143	13 479
Communication (G&S)	1 707	1 937	754	1 297	1 009	1 009	3 216	1 459	1 538
Computer services	100								
Contractors	36 364	66 586	29 804	23 940	27 031	27 031	15 057	29 793	30 433
Agency and support / outsourced services	13 628	10 392	2 142	2 230	1 715	1 715	3 035	2 897	3 057
Fleet services (including government motor transport)	618	1 615	2 102	216	1 716	1 768	2 623	2 722	2 872
Inventory: Materials and supplies	16 343	9 487	21 709	17 272					
Consumable supplies	33	330	403	250	178	257	443	820	865
Consumable: Stationery, printing and office supplies	67	231	1 354	1 426	1 012	1 012	714	1 236	1 304
Operating leases	4	44							
Property payments	23		2	319	319	319		353	372

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transport provided: Departmental activity	10 498	9 699	11 561	13 812	12 295	12 295	12 378	15 916	16 332
Travel and subsistence	2 155	6 291	7 525	12 740	17 648	18 624	14 342	25 387	26 784
Training and development		94	4 096	6 661	2 972	2 972	3 268	5 571	5 877
Operating payments	905	420	858	2 036	1 276	1 465	600	1 778	1 876
Venues and facilities	7 401	9 456	4 607	9 821	5 255	5 066	4 657	5 569	6 416
Interest and rent on land	10								
Interest	10								
Transfers and subsidies	14 003	9 930	56 509	84 337	67 822	67 822	72 308	82 585	87 134
Non-profit institutions	13 788	9 630	56 400	84 337	67 347	67 347	72 308	82 585	87 134
Households	215	300	109		475	475			
Social benefits	215	300	109		475	475			
Other transfers to households									
Payments for capital assets	2 417	2 153	12 000	2 417	34 490	34 490	30 207	33 852	17 405
Buildings and other fixed structures		687	10 107	1 200	19 486	19 486	6 556	16 668	
Buildings		687	10 107		18 286	18 286	1 000		
Machinery and equipment	2 417	1 466	1 893	1 217	15 004	15 004	23 651	17 184	17 405
Transport equipment	1 676	767	498	342	3 842	4 062	2 500	4 812	4 363
Other machinery and equipment	741	699	1 395	875	11 162	10 942	21 151	12 372	13 042
Payments for financial assets									
Total economic classification	182 096	233 531	262 547	308 466	322 101	322 101	327 538	374 737	375 636

TABLE 12.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COMMUNITY LIBRARY SERVICES GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 959	5 198	11 874	27 106	27 106	27 106	24 789	33 802	25 427
Compensation of employees	984	1 102	800	8 426	8 426	8 426	8 763	5 781	6 099
Salaries and wages	870	975	625	6 541	6 541	6 541	7 799	4 610	4 864
Social contributions	114	127	175	1 885	1 885	1 885	964	1 171	1 235
Goods and services	975	4 096	11 074	18 680	18 680	18 680	16 026	28 021	19 328
Administrative fees								57	60
Advertising	89	81	880	2 397	2 397	2 397		517	545
Minor assets	72	225	2 671					961	1 014
Catering: Departmental activities	8	166	740	300	300	300	30	258	272
Communication (G&S)								75	79
Computer services	699	35	500					107	113
Agency and support / outsourced services		185						2 230	2 353
Fleet services (including	17	22							

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
government motor transport)									
Inventory: Learner and teacher support material								988	1 042
Consumable supplies		178	450	3 983	3 983	3 983		138	146
Consumable: Stationery, printing and office supplies								140	148
Transport provided: Departmental activity		49	113						
Travel and subsistence	47	40	97					319	337
Training and development		221	288					94	99
Operating payments	43	2 773	2 233	1 000	1 000	1 000	2 484	2 600	2 743
Venues and facilities		121	500						
Transfers and subsidies	84 707	107 388	101 946	108 220	108 220	108 220	112 538	119 969	126 568
Provinces and municipalities	84 707	106 516	99 346	106 720	106 720	106 720	109 538	116 300	122 697
Municipalities	84 707	106 516	99 346	106 720	106 720	106 720	109 538	116 300	122 697
Municipalities	84 707	106 516	99 346	106 720	106 720	106 720	109 538	116 300	122 697
Non-profit institutions		400	2 600	1 500	1 500	1 500	3 000	3 000	3 165
Households		472						669	706
Other transfers to households		472						669	706
Payments for capital assets	23 724	35 478	58 950	33 204	78 918	33 204	30 457	23 910	36 008
Buildings and other fixed structures	22 238	31 384	57 074	27 004	72 718	27 004	20 000	17 000	27 000
Other fixed structures	22 238	31 384						17 000	27 000
Machinery and equipment	1 486	4 094	1 876	6 200	6 200	6 200	10 457	6 910	9 008
Transport equipment	86	22							
Other machinery and equipment	1 400	4 072	1 876	6 200	6 200	6 200	10 457	6 910	9 008
Payments for financial assets		80							
Total economic classification	110 390	148 144	172 770	168 530	214 244	168 530	167 784	177 681	188 003

TABLE 12.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MASS PARTICIPATION AND SPORT DEVELOPMENT GRANT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	76 570	73 303	75 386	75 310	75 310	75 310	80 507	87 528	93 212
Compensation of employees	7 961	9 809	8 388	8 501	8 501	8 501	11 055	10 912	12 381
Salaries and wages	7 235	9 104	8 084	7 566	7 566	7 566	9 971	9 713	11 020
Social contributions	726	705	304	935	935	935	1 084	1 199	1 361
Goods and services	68 609	63 494	66 998	66 809	66 809	66 809	69 452	76 616	80 831
Administrative fees		80	80	260	260	260	209	296	312
Advertising	2 550	8 908	1 540	3 121	3 121	3 121	2 179	4 182	4 412
Minor assets	464	18	75				512		

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Catering: Departmental activities	3 249	7 927	6 823	6 979	6 979	6 979	7 400	7 944	8 381
Communication (G&S)	1 573	242	193	251	251	251	115	355	375
Computer services	100								
Contractors	12 095	9 039	20 492	15 419	15 419	15 419	9 352	16 754	17 675
Agency and support / outsourced services	13 449	7 194	3 253	1 490	1 490	1 490	2 282	1 582	1 669
Fleet services (including government motor transport)	510	470	103				4		
Inventory: Learner and teacher support material									
Consumable supplies	34	85	2				173		
Consumable: Stationery, printing and office supplies	58	164	362	3 044	3 044	3 044	606	3 192	3 368
Operating leases		16							
Property payments	9							114	120
Transport provided: Departmental activity	10 470	8 165	8 958	6 744	6 744	6 744	8 631	7 820	8 250
Travel and subsistence	386	3 999	664	3 750	3 750	3 750	8 855	4 610	4 864
Training and development		93	1 260	4 706	4 706	4 706	3 303	5 812	6 132
Operating payments		27	282	480	480	480	495	546	576
Venues and facilities	7 319	8 071	5 050	7 165	7 165	7 165	3 115	8 156	8 605
Transfers and subsidies	12 036	9 630	8 654	9 572	9 572	9 572	11 016	10 895	11 494
Non-profit institutions	12 036	9 630	8 654	9 572	9 572	9 572	11 016	10 895	11 494
Payments for capital assets	951	683	469	600	600	600	700	114	120
Machinery and equipment	951	683	469	600	600	600	700	114	120
Transport equipment	315	237							
Other machinery and equipment	636	446	469	600	600	600	700	114	120
Payments for financial assets									
Total economic classification	89 557	83 616	84 509	85 482	85 482	85 482	92 223	98 537	104 826

TABLE 12.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR PROVINCES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 996	1 561	2 206	2 000	2 000	2 000	2 000		
Compensation of employees	1 379	1 418	1 482	1 382	1 382	1 382	1 638		
Salaries and wages	1 378	1 418	1 482	1 381	1 381	1 381	1 638		
Social contributions	1			1	1	1			
Goods and services	617	143	724	618	618	618	362		
Advertising	83	26		83	83	83			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Agency and support / outsourced services	485	9							
Consumable supplies	49	108	350				50		
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	1 996	1 561	2 206	2 000	2 000	2 000	2 000		

TABLE 12.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	934	2 085	1 496	1 463	1 463	1 463			
Compensation of employees	920	2 085	1 424	1 421	1 421	1 421			
Salaries and wages	918	2 074	1 410	1 407	1 407	1 407			
Social contributions	2	11	14	14	14	14			
Goods and services	14		72	42	42	42			
Advertising			55	18	18	18			
Travel and subsistence	14		17	21	21	21			
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets									
Total economic classification	934	2 085	1 496	1 463	1 463	1 463			

TABLE 12.27: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: SPORT, RECREATION, ARTS AND CULTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	42 030	43 120	40 017	45 000	46 820	46 820	60 000	64 500	68 000
Ekurhuleni	9 579	13 000	13 594	13 700	13 700	13 700	18 500	20 000	21 000
City of Johannesburg	19 015	17 120	15 921	17 600	17 600	17 600	23 000	24 500	26 000
City of Tshwane	13 436	13 000	10 502	13 700	15 520	15 520	18 500	20 000	21 000
Category B	58 578	79 696	85 245	89 420	87 658	87 658	111 338	118 000	124 000
Emfuleni	9 225	12 300	13 107	13 892	12 130	12 130	16 238	18 000	19 000
Midvaal	7 050	8 800	9 303	11 050	11 050	11 050	15 000	16 000	17 000
Lesedi	6 700	9 670	11 597	12 964	12 964	12 964	17 000	18 000	19 000
Mogale City	12 700	15 700	15 280	15 900	15 900	15 900	19 500	20 500	21 500
Merafong City	9 903	6 300	15 498	15 330	15 330	15 330	19 200	20 000	21 000
Rand West City	13 000	26 926	20 460	20 284	20 284	20 284	24 400	25 500	26 500
Category C	2 503	3 300	2 800	2 800	2 800	2 800	5 315	5 454	5 593
Sedibeng District Municipality							2 515	2 654	2 793
West Rand District Municipality	2 503	3 300	2 800	2 800	2 800	2 800	2 800	2 800	2 800
Unallocated									
Total transfers to municipalities	103 111	126 116	128 062	137 220	137 278	137 278	176 653	187 954	197 593

VOTE 13

DEPARTMENT OF e-GOVERNMENT

To be appropriated by vote in 2019/20	R 1 413 914 000
Responsible MEC	MEC for Finance
Administering Department	Department of e-Government
Accounting Officer	Head of Department

1. OVERVIEW

Vision

A connected Gauteng City Region that leverages technology to provide quality services to citizens.

Mission

To realise the intent of a connected government through:

- Provision of relevant technologies, standards and governance;
- Creation of an environment of collaboration between key stakeholders; and
- Facilitation of the evolution of the Gauteng City Region (GCR) service delivery.

Strategic objectives

The key strategic objectives of the department are to:

- Build an enabling infrastructure for a connected GCR government;
- Create an enabling platform and support services to enable GCR entities to design, develop and deliver e-Government services;
- Establish a GCR e-Government governance structure to drive priorities, policies, standards and regulations;
- Promote the use of e-Government services by citizens, businesses and government entities; and
- Stimulate the ICT economy by facilitating incubation and innovation and by encouraging public-private partnerships (PPPs) to develop and roll out e- Government services.

Core functions and responsibilities

- To roll out the Gauteng Broadband Network (GBN);
- To develop and maintain all provincial government-owned ICT infrastructure;
- To develop and maintain applications, networks and services;
- To improve and provide customer-driven HR services;
- To implement an e-Recruitment solution for job seekers; and
- To deploy HR systems in the province.

Main services

The main services of the department relate to:

- Provide universal access to broadband (as defined by the national broadband policy) for citizens, business as well as government institutions;
- Build the network infrastructure and information super-highway to encourage the development of advanced workforce with better ICT skills;
- Enhance economic productivity through ICT infrastructure development in order to lower the cost of doing business and increase connectivity for companies especially small, medium and micro enterprises (SMMEs);
- Improve service delivery by providing high-quality ICT services through e-government; and
- Build capability and improve the quality of service and client experience in the provision of human resource services which are executed through improving efficiency through the automation of transactional services.

Ten-Pillar Programme of Transformation, Modernisation and Re-Industrialisation

It is the department's task to operationalise the provincial GCR e-Government Strategy 2015 - 2020. In order to achieve this, the department assumed the five strategic pillars of the strategy as its strategic objectives. This was done to ensure a focused approach to service delivery to the citizens of the province.

The five strategic pillars of the GCR e-Government Strategy 2015 - 2020 are:

Pillar 1: To build an enabling ICT infrastructure for GCR connected government;

Pillar 2: To create the platform and support services to enable GCR entities to design, develop and deliver e-Government services;

Pillar 3: To establish a GCR e-Government governance structure to drive priorities, policies, standards and regulations;

Pillar 4: To promote the use of e-Government services by citizens, businesses and government entities; and

Pillar 5: To stimulate the ICT economy by facilitating incubation and innovation and by encouraging PPPs for the development and roll-out of e-Government services.

National Development Plan

The National Broadband Policy expresses South Africa's vision in the NDP of a "seamless information infrastructure by 2030 that will underpin a dynamic and connected vibrant information society and a knowledge economy that is inclusive, equitable and prosperous". In line with this, the Department of e-Government will promote digital inclusion by connecting citizens to a high-speed broadband network through the Thusong Centres located in townships across the province. The department will act as an economic enabler by ensuring that the priority townships and economic regeneration zones have access to high-speed broadband.

External activities and events relevant to budget decisions

The provincial Ten-Pillar Programme of Transformation, Modernisation and Re-Industrialisation was used as a policy document to complete the department's budget. The budget responds to changes in demand for connectivity, which has a direct impact on service delivery for the province. Financial resources are redirected to implement government-wide solutions that are modern, reliable and secure.

Acts, rules and regulations

- Public Administrative and Management Act, 2014 (Act No. 11 of 2014);
- Treasury Regulations 2005 and Delegations;
- Electronic Communications Act, 2005 (Act No. 36 of 2005);
- Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004);
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- Broad-Based Black Economic Empowerment Act, 2003;
- Broad Based Black Economic Empowerment, 2003 (Act No. 53 of 2003) as amended by B-BBEE Act 46 of 2013;
- Government Employees Pension Law Amendment, 2003 (Act No. 35 of 2003);
- The Tender Board Repeal Act, 2002 (Act No. 2 of 2002);
- Municipality Systems Act, 2000 (Act No. 32 of 2000);
- Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000);
- Public Finance Management Act, 1999 (Act No.1 of 1999);
- Employment Equity Act, 1998 (Act No. of 55 of 1998);
- National Skills development Act, 1998 (Act No. 97 of 1998);
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997);
- Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997);
- Public Service Laws Amendment Act, 1997 (Act No. 47 of 1997);
- Borrowing Powers of Provincial Government Act, 1996 (Act No. 48 of 1996);
- The Constitution of the Republic of South Africa, 1996;
- The National Archives and Records Service of South Africa Act, 1996 (Act No. 43 of 1996 as amended)
- Development Facilitation Act, 1995 (Act No. 67 of 1995);
- Labour Relations Act, 1995 (Act No. 66 of 1995);
- Public Service Act, 1994 (Act 103 of 1994);
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993); and

- Division of Revenue Act

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

The Gauteng Provincial Government adopted a Ten-Pillar Programme of Transformation, Modernisation and Re-Industrialisation (TMR) for Gauteng. The Department of e-Government, in its mandate, supports all 10 pillars through developing the high-speed broadband network. However, the key focus as a department is mainly on Pillar 5 about the modernisation of the public service.

The Department of e-Government continued to roll out the Gauteng Broadband Network (GBN) Project in 2018/19. The roll-out resulted in the completion of Phase 1 of the project. Through Phase 1, the department connected 1 181 provincial sites, which includes government sites, Thusong Centres and economic zones in five development corridors of the province. The other achievements include 42 sites in departments and entities provided with Voice over Internet Protocol (VoIP) to maximise the usage of GBN. This assisted in generating savings on telephone costs.

There were two departments and their agencies that migrated to the GPG private cloud. To guide and regulate the delivery of ICT services in the province, the department reviewed one provincial ICT policy. It developed and obtained approval for two ICT strategies. The department also approved two provincial ICT standards and it signed eleven service level agreements with GPG departments. The department continued to maintain 98 per cent network availability for the broadband and access points in the province.

The department's DAV (Design and Validation) Centre located at the Tshimologong Precinct is the province's digital technology evaluation centre that provides services such as testing and validation of new technology with the potential for use by the province to change people's lives. The department appointed four township developers to develop e-services. The centre tested 18 ICT concepts from township entrepreneurs and it tested three e-services. The three new e-services developed consist of the e-Recruitment service used in one provincial department and the Automated Termination Service used in two provincial departments and their agencies.

Regarding the delivery of e-services in the Province, the department concluded five partnership agreements and continued to engage partners and stakeholders with the aim of sharing industry expertise and good practices to enhance efficiency in the delivery of e-services. Following the testing of three e-services, the department held four advocacy events to promote the usage of e-services and to increase the number of registered users for e-services. To support these events, the department produced three reports on the promotion of e-services and it conducted two customer satisfaction surveys.

In addition to the three new e-services mentioned above, there are six provincial departments and their agencies continued to use the automated leave management system. There are six provincial departments and their agencies that continued to use automated payroll allowance. These automated human resource (HR) services are the department's efforts to modernise the HR business processes within the GPG through provisioning of ICT systems and promoting their optimal usage to produce analytical HR information.

Regarding the procurement processes, the department processed 100 per cent of its tenders through the open tender system to improve transparency and to gain public confidence in the department's procurement processes. It also paid 98 per cent of its suppliers within 15 days of receiving their invoices. To support the province's strategy on the township economy revitalisation, the department procured 42 per cent of total goods and services - valued below R500 000 per quotation - from the township economy.

The department aims at identifying, understanding and managing risks in an enterprise-wide context that will ensure accountability and sustainability. There were departmental risk registers and ICT risk profiles finalised during the period under review.

The other achievements of the department include maintaining 100 per cent availability of GPG transversal services, the filling of 88 per cent of funded positions in the organisational structure and the appointment of 25 youth for the learnership positions.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

It is imperative that the Department of e-Government takes urgent steps to unlock the range of opportunities offered by the technological revolution that the world is currently experiencing. The revolution affects the way citizens, business and

government entities access services, interact and do business. This revolution, according to the World Economic Forum, is characterized by speed that has no historical precedent. It is disrupting almost every industry in every country across the world. This is also true for South Africa. The impact and scope of these changes requires an integrated and comprehensive response.

PILLAR: IMPROVING INFRASTRUCTURE

Output: Gauteng Broadband Network (WAN), Local Area Network (LAN) and Voice Infrastructure

Following the completion of Phase 1 of the Gauteng Broadband Network Project that provided connectivity to government sites, Thusong Centres and economic zones, the department will collaborate with SITA to roll out Phase 2. Phase 2 will provide connectivity to all remaining provincial sites, including providing three agencies with connectivity to WAN. The department will continue to ensure 98 per cent availability of GBN in the next financial year.

During the 2019/20 financial year, the department will continue to implement Voice-Over-Data as a service on the broadband network. This involves the roll-out of voice infrastructure to 100 sites to enable telephony on the GBN. The roll-out of the GBN will happen together with the implementation of LAN as a transversal function because the quality of telephony is dependent on the quality and standard of the LAN.

Output: ICT Security

As part of its mandate, the Department of e-Government developed the GPG cybersecurity policy and strategy. It also established and implemented the Security Operations Centre (SOC) to deal centrally with ICT security issues, which included the cybersecurity detection and prevention tools. Therefore, the department will implement the cybersecurity strategy and improve the cybersecurity capabilities of the province through the development of cybersecurity skills.

Output: Computing Infrastructure

The department will explore alternative solutions, including a hybrid cloud model, to enable the GPG's computing infrastructure to adjust quickly and cost effectively to accommodate changing demand. This effort will support the current process of migrating departmental applications, e-services and data into a cloud-based Fully Managed Data Centre (FMDC).

Output: End User Computing Infrastructure (Desktops, laptops etc.)

Following the development of norms and standards for guiding provincial departments on the purchase and implementation of end-user devices, the department will implement these norms and standards to ensure interoperability of applications and e-services.

PILLAR: APPLICATIONS DEVELOPMENT

The department will plan, design and implement GPG transversal applications and e-services that the provincial departments need and use. It will publish the required applications and e-services on the GPG common platform. Furthermore, the department will facilitate the integration of applications and e-services, where necessary, and it will develop standards and architectures to guide the provincial departments and entities on how to implement applications.

The department will continuously assist the provincial departments and entities in the assessment of its service delivery requirements. It will provide advice that will ensure that the provincial departments and entities receive appropriate ICT services from the department. The department will provide testing and certification of transversal applications and ICT solutions on behalf of the province.

Output: Common platform, applications and e-services to citizens, business, employees, visitors and government.

The department will continue to deliver a consolidated service delivery and access channel capability through the GPG common platform in order for the GPG to deliver ICT-enabled services for citizens, business and government. The department will continue to provide the common platform infrastructure required to offer a range of online e-services and updated government information. This allows citizens to provide information and to engage with government utilising access channels of their choice, e.g. mobile phones, tablets, personal computers, etc.

Output: Promote usage of Government e-services by citizens, businesses, visitors and government entities

The department will continue to manage the advocacy of the common platform. The provincial departments will need to communicate continuously with their target beneficiary communities - through the GPG common platform - about the available e-services. The department will conduct workshops and customer satisfaction surveys to facilitate feedback from users.

Output: Applications Development Support and Testing

The provincial departments and entities will continue to receive assistance regarding the assessment of ICT service delivery requirements and technical advice. This is aimed at ensuring that they carry out their ICT projects successfully. Furthermore, the department will provide the testing and certification of transversal applications and ICT solutions for the province.

PILLAR: STRENGTHENING GOVERNANCE AND MANAGEMENT

The department will facilitate and coordinate contracts, business agreements for the province and review 14 service level agreements for transversal applications on behalf of the province. This is required because the successful development and facilitation of the GPG digital ecosystem requires a high standard of governance and management. The GPG digital ecosystem also requires the best practice points towards a more centralised approach with high levels of consultation and cooperation.

Output: Centralised Support, Management and Monitoring

The department is working with GPG departments to develop systems and processes for effective collaboration and consultation on the development, implementation and maintenance of provincial ICT infrastructure, applications and e-services. This includes developing a stratified and tiered approach that the department will use to centralise and implement the transversal GPG procurement projects.

Output: ICT Capacity and Skills Development

There is a shortage of skills and capacity to drive and sustain digital transformation, modernisation and the effective use of the GPG's ICT resources. The shortage impacts more on critical areas such as the GPG's data management and cybersecurity. In this regard, the department will work with the entire education system to ensure that the system produces the required ICT skills and that the experienced people are re-skilled in technological advancements. The aim is also to attract the right skills to balance demand and supply of the provincial digital ecosystem.

Output: ICT Function Monitoring, Measurement and Reporting

The province needs to have holistic view of the ICT environment regarding the ICT spending, resources available, technology platforms, applications, services and vendor and supplier contracts. To achieve this, the department will develop and implement a continuous ICT monitoring, measurement and reporting system across the GPG departments to identify and react to issues that impact on the overall cost efficiency of ICT usage in parts of or across the GPG.

4. REPRIORITISATION

To identify possible savings within the baseline allocation, the department re-prioritised its budget baselines to identify funds required for the GBN project. As a result, during the 2018/19 adjustment budget process an amount of R23.4 million was shifted from the compensation of employees towards GBN operational expenditure. Furthermore, an amount of R37 million was shifted within the ICT programme towards GBN.

The department has already concluded the procurement process of the next phase of GBN, through SITA. The baseline re-prioritisation for the 2019 MTEF budget caters mainly for the financial implication arising from the next phase of the GBN. The department's reprioritisation exercise is, and continues to be, focused on generating and identifying savings with the baseline allocation toward the funding the department's key projects.

5. PROCUREMENT

There are no major planned procurements for the 2019 MTEF period except for procurement processes concluded for the next phase of the GBN through SITA.

6. RECEIPTS AND FINANCING**6.1 Summary of receipts**

TABLE 13.1: SUMMARY OF RECEIPTS: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	1 175 647	1 263 186	1 461 059	1 273 826	1 390 793	1 390 793	1 413 914	1 496 959	1 592 631
Total receipts	1 175 647	1 263 186	1 461 059	1 273 826	1 390 793	1 390 793	1 413 914	1 496 959	1 592 631

The equitable share allocation is the department's source of funding. The funding increased from R1.2 billion in 2015/16 to R1.5 billion in 2017/18 to enable the department to deliver ICT-related services to the province, including the GBN Project and the implementation of the GPG Digital Ecosystem and other ICT-related projects.

During the 2018/19 mid-year expenditure review, the department's main appropriation of R1.3 billion increased to R1.4 billion, mainly to provide for the GBN operational expenditure. The increasing funding from R1.4 billion to R1.6 billion over the 2019 MTEF is dedicated to the implementation of the following critical components GPG Digital Ecosystem:

- Common platform citizen-facing services;
- GPG common platform back-end;
- ICT infrastructure; and
- GBN.

6.2 Departmental receipts

TABLE 13.2: SUMMARY OF DEPARTMENTAL RECEIPTS: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	572	507	529	580	580	580	604	637	672
Interest, dividends and rent on land	11	10	9	12	12	12	12	13	14
Sales of capital assets		10							
Transactions in financial assets and liabilities	1 224	29	582	46	46	4 618	49	52	55
Total departmental receipts	1 807	556	1 120	638	638	5 210	665	702	741

The department generates own revenue from gym subscriptions, parking fees, fees charged on the issuing of tender documents and commission earned on third-party payments for insurance premiums paid on behalf of the department's employees.

Revenue decreased from R1.8 million in 2015/16 to R556 000 in 2016/17 because of a decrease in the staff complement following from the migration of functions from the department to the OoP, GPT and other GPG departments. During 2017/18, revenue increased to R1.1 million because of collection of staff debts repayments. Over the 2019 MTEF, revenue is on an upward trajectory from R665 000 in 2019/20 to R702 000 in 2020/21 and R741 000 in 2021/22.

7. PAYMENT SUMMARY

7.1 Key assumptions

The 2019 MTEF budget is guided and informed by the e-Government Strategic Plan, Annual Performance Plan, TMR objectives and the GPG Programme of Action (POA). The key assumptions underpinning the budget are:

- Provision for annual salary estimates are informed by projected growth rates for the cost of living adjustments at:

	2019/20	2020/21	2021/22
Levels 1 to 7	6.3% (CPI+ 1%)	6.5% (CPI+ 1%)	6.5% (CPI+ 1%)
Levels 8 to 10	5.8% (CPI+ 0.5%)	6% (CPI+ 0.5%)	6% (CPI+ 0.5%)
Levels 11 to 12	5.3%	5.5%	5.5%

- Pay progression is at 1.5 per cent p.a. and increases of housing allowance by CPI to R1 346 in 2018/19, R1 414 in 2019/20 and R1 495; R1 578 in 2020/21 and 2021/22 respectively;
- Goods and services, CPI inflation projections factored into expenditure estimates, except for non-recurrent and once-off projects, are 5.3 per cent for 2019/20 and 5.5 per cent for 2020/21 and 2021/22 respectively; and
- Provision for provincial priorities including the Gauteng Broadband Network and GPG ICT infrastructure maintenance and municipal tariffs.

7.2 Programme summary

TABLE 13.3: SUMMARY OF PAYMENTS AND ESTIMATES BY DEPARTMENT: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	173 848	188 006	221 327	245 033	230 139	230 126	266 874	286 679	299 821
2. Information Communication Technology(Ict) Shared Services	900 980	961 145	1 008 670	906 867	1 047 328	1 047 328	1 020 846	1 076 883	1 152 076
3. Human Resources Services	80 078	88 227	103 614	121 926	113 326	113 339	126 194	133 397	140 734
Total payments and estimates	1 154 906	1 237 378	1 333 611	1 273 826	1 390 793	1 390 793	1 413 914	1 496 959	1 592 631

7.3 Summary of economic classification

TABLE 13.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	778 623	994 704	1 251 354	1 245 899	1 366 450	1 366 066	1 390 464	1 473 459	1 567 827
Compensation of employees	270 891	310 087	363 991	454 148	422 945	422 944	466 133	492 735	520 195
Goods and services	507 732	684 617	887 363	791 752	943 505	943 122	924 331	980 724	1 047 632
Interest and rent on land									
Transfers and subsidies to:	23 485	23 166	23 550	23 426	23 426	23 427	23 450	23 500	24 804
Departmental agencies and accounts									
Higher education institutions		22 800	22 800	22 800	22 800	22 800	22 800	22 800	24 054
Households	23 485	366	750	626	626	627	650	700	750
Payments for capital assets	352 457	219 488	58 659	4 500	900	1 192			
Buildings and other fixed structures		72 289	32 757						
Machinery and equipment	250 431	119 628	15 335	4 500	900	1 192			
Software and other intangible assets	102 026	27 571	10 567						
Payments for financial assets	341	20	48		17	108			
Total economic classification	1 154 906	1 237 378	1 333 611	1 273 826	1 390 793	1 390 793	1 413 914	1 496 959	1 592 631

Actual expenditure increased from R1.1 billion in 2015/16 to R1.2 billion in 2016/17. The main cost driver is the funding of the GBN Project. The allocation of additional funds for the rollout of the GBN Project - during the adjustments budget process - increased the main budget from R1.3 billion to R1.4 billion in 2018/19. The inflation-related adjustments inform the increase of the budget from R1.4 billion in 2019/20 to R1.6 billion in 2021/22. The ICT Shared Services Programme (at 71 per cent of the total budget) receives the majority of the department's combined allocation over the MTEF. The allocation is to enable the department to deliver ICT-related services to the province, including the GBN Project and the implementation of the GPG Digital Ecosystem and other items relating to ICT projects. The increasing funding from R1.4 billion to R1.6 billion - over the 2019 MTEF - is dedicated to the implementation of the following critical components GPG Digital Ecosystem:

- Common platform citizen-facing services;
- GPG common platform back-end;
- ICT infrastructure; and
- GBN.

Given the transversal nature of ICT infrastructure that the department provides and maintains for the GPG, the high-level objectives of the 2019 MTEF funding - of this component of the digital ecosystem - entails the following:

1. **GPG data and applications hosted in a government private cloud**, the deliverables of which include:
 - All GPG departments and entities migrated to FMDC.

- A hybrid secure scalable, elastic cloud solution at SITA.
- 2. Multiple channels to deliver e-services to citizens, business, employees, visitors and government,** the deliverables of which include:
- GBN connectivity infrastructure at 3 000 sites.
 - Infrastructure for common platform and e-services.
 - ICT access Infrastructure for GPG, (including kiosk strategy).
- 3. Provide ICT Security,** the deliverables of which include:
- GPG cybersecurity policy and strategy implemented.

Compensation of employees increased from R270.8 million in 2015/16 to R310 million and R363 million in 2016/17 and 2017/18 respectively. The increase on prior years relates to filling vacant posts and re-establishing the department from the demerger with the Gauteng Provincial Treasury. The estimated spending on compensation of employees is set to increase from R466 million over the 2019/20 to R520 million in 2021/22. This estimated funding provides for the filling of funded vacant and critical posts in line with the implementation of the department's interim structure and also provides for notch progression, annual performance bonuses, annual cost-of-living adjustments in line with projected changes in the CPI index and other personnel-related payments.

Expenditure on goods and services increases from R507.7 million in 2015/16 to R887.3 million in 2017/18. The main drivers of expenditure are ICT security services, GBN, licence maintenance, computer services and utilities. Over the MTEF expenditure is set to increase from R924 million in 2019/20 to R981 million in 2020/21 and further to R1.0 billion in 2021/22. This amount will fund the payments for the GBN Project, departmental utilities, maintenance and support services for the provincial government's ICT infrastructure, the fully managed data centre and SITA payments. Provision is made for departmental operational costs such as utilities, building maintenance and other administrative costs including lease payments for the department's car fleet, labour saving devices and payments for audit services.

The major portion of e-Government's allocation is on maintenance of the provincial ICT infrastructure in accordance with the department's primary strategic objective of providing a modern, reliable and secure ICT infrastructure for the GPG given the department's role as the custodian of the GPG Digital Ecosystem.

Transfers and subsidies in the department include R22.8 million annual payments for the DAV Centre - that is located at the Tshimologong Precinct - to support with the testing and validating of e-services applications. Furthermore, the transfers and subsidies allocation caters for the payments of injury-on-duty claims and leave gratuity.

7.4 Infrastructure payments

N/A

7.4.1 Departmental infrastructure payments

N/A

7.5 Transfers

7.4.2 Transfers to public entities

N/A

7.4.3 Transfers to other entities

TABLE 13.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Departmental Agencies and Accounts		22 800	22 800	22 800	22 800	22 800	22 800	22 800	24 054
Total departmental transfers		22 800	22 800	22 800	22 800	22 800	22 800	22 800	24 054

The department established the Design and Validation (DAV) Centre within Tshimologong Precinct at the University of Witwatersrand that tests and validates applications before these are launched on the platform for e-government services. A

transfer payment of R22.8 million was first made in 2016/17 to operationalise the centre. The department is expected to transfer R22.8 million in 2019/20 and 2020/21 financial years.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

To provide executive leadership, oversight and accountability and corporate support services.

Programme objectives

To efficiently manage the Department of e-Government through executive steer and accountability, and the execution of corporate support services supported by effective reporting, risk management and compliance practices

TABLE 13.6: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The HOD	6 518	8 276	8 344	10 973	9 657	9 703	10 725	11 396	12 096
2. Risk Management	2 786	3 079	3 835	4 232	4 508	4 508	4 452	4 702	4 967
3. Office Of The CFO	60 998	39 465	49 052	52 268	50 408	50 407	57 110	61 642	64 550
4. Corporate Services	103 546	137 186	160 096	177 560	165 566	165 508	194 587	208 939	218 208
Total payments and estimates	173 848	188 006	221 327	245 033	230 139	230 126	266 874	286 679	299 821

TABLE 13.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	148 526	180 110	213 865	242 406	228 819	228 436	266 224	285 979	299 071
Compensation of employees	96 920	115 419	130 738	165 644	150 973	150 974	163 897	173 328	183 221
Goods and services	51 606	64 691	83 127	76 763	77 846	77 462	102 327	112 651	115 850
Interest and rent on land									
Transfers and subsidies to:	23 152	234	293	626	403	390	650	700	750
Departmental agencies and accounts									
Households	23 152	234	293	626	403	390	650	700	750
Payments for capital assets	2 113	7 642	7 127	2 000	900	1 192			
Machinery and equipment	2 100	7 577	6 972	2 000	900	1 192			
Software and other intangible assets	13	65	155						
Payments for financial assets	57	20	42		17	108			
Total economic classification	173 848	188 006	221 327	245 033	230 139	230 126	266 874	286 679	299 821

Actual expenditure for the Administration Programme increased from R173.8 million in 2015/16 to R188 million in 2016/17. It further increased to R221.3 million in 2017/18. Of the original appropriation of R245 million in 2018/19, R15 million was re-allocated from the compensation of employees towards GBN operational expenditure. The programme is responsible for the administrative centralised functions for better expenditure control and efficiency gains. Such functions relate to human resources services for training and development, bursaries, provision for internship programme, payroll-related expenditure such as performance bonuses. Centralised functions also relate to operations such as office automation and labour-saving devices; lease payments; provisions for audit services and other operational costs. The expenditure estimates increase from R266.8 million in 2019/20 to R299.8 million in 2021/22.

Actual expenditure on compensation of employees increased from R97 million in 2015/16 to R130.7 million in 2017/18. The compensation of employees budget reduced from R165.6 million to R150.9 million during the adjustments budget process in 2018/19 to fund goods and services for the GBN operational expenditure in Programme 2: ICT Shared Services. The

compensation of employees budget caters for the filled posts in the organisational establishment. Expenditure is set to increase from R150 million in 2018/19 to R163.8 million in 2019/20. The personnel projected expenditure includes payments for all personnel-related costs for the departmental staff as well as the internship and learnership youth employed in the department. The upward trends are informed by prescribed annual salary increases in the public sector. The budget over the MTEF is informed by the planned recruitment drive to fill all funded and critical posts over MTEF.

Actual expenditure on goods and services increases from R51.6 million in 2015/16 to R83.1 million in 2017/18. The main allocation increased by R1 million from R76.7 to R77.8 million to cater for the refurbishment of the 75 Fox Building to comply with regulatory requirements. The expenditure estimates increase from R102.3 million in 2019/20 to R115.8 million in 2021/22. The main cost drivers under the programme are centralised items, namely office automation and labour-saving devices, rental of office building, parking, municipal rates and taxes, audit fees, bank charges, lease of photocopier machines, fleet management, office equipment and office furniture.

In 2018/19, under transfers and subsidies, R626 000 was allocated during the main budget and R200 000 was re-allocated to different programmes during the adjustment process so reducing the allocation for the programme to R403 000. For MTEF period R650 000 is allocated in 2019/20 and R700 000 in 2020/21 as a provision for transfers and subsidies relating to leave gratuities and injuries on duty which are centralised under the Administration Programme. This budget is re-allocated to other programmes to defray expenditure incurred during the adjustment period.

Following the highest capital expenditure of R7.6 million incurred in 2016/17, the capital expenditure reduced to R7 million in 2017/18. R1 million expenditure for 2018/19 relates to the ongoing revamp of Imbumba House building.

PROGRAMME 2: INFORMATION COMMUNICATION TECHNOLOGY SHARED SERVICES

Programme description

Establishment of an ICT e-Government governance structure for the department and the broader GCR.

Build an enabling ICT infrastructure and platform for common GCR e-Services according to a standardised approach for a connected GCR government.

Promotion of the usage of e-Government services by citizens, businesses and government entities through transformation and incentive programmes. The conclusion of private and public partnerships and the implementation of incubation and innovation programmes.

Programme objectives

To establish a GCR e-Government governance structure that drives and enables priorities, policies, standards and regulations through approved frameworks.

To ensure that the ICT infrastructure required for the GCR connected government exists and is enabled by an upgraded core network, the availability of Wi-Fi hotspots and a maintained network availability to allow GCR entities to be connected and provide e-Services to the citizens of the province through an enabling common platform.

To promote the usage of e-Government services (Citizens, Business and Government Entities).

To stimulate the ICT economy by facilitating incubation and innovation as well as encouraging public private partnerships for the development and rollout of e-Government services.

TABLE 13.8: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: INFORMATION COMMUNICATION TECHNOLOGY (ICT) SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Applications	217 447	108 971	155 910	261 867	250 922	250 922	258 559	306 802	344 397
2. Operations	668 903	835 709	821 454	600 748	761 709	761 709	720 465	725 949	761 120
3. Business Alignment	13 882	16 464	29 338	41 357	32 037	32 037	38 702	40 840	43 086
4. Information Communication Technology Programme Support	748	1	1 968	2 895	2 660	2 660	3 120	3 292	3 473
Total payments and estimates	900 980	961 145	1 008 670	906 867	1 047 328	1 047 328	1 020 846	1 076 883	1 152 076

TABLE 13.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFORMATION COMMUNICATION TECHNOLOGY (ICT) SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	550 207	726 400	934 195	881 567	1 024 525	1 024 525	998 046	1 054 083	1 128 022
Compensation of employees	94 436	107 000	136 690	173 381	165 487	165 487	183 226	193 589	204 236
Goods and services	455 771	619 400	797 505	708 186	859 038	859 038	814 820	860 494	923 786
Interest and rent on land									
Transfers and subsidies to:	145	22 910	22 943	22 800	22 803	22 803	22 800	22 800	24 054
Higher education institutions		22 800	22 800	22 800	22 800	22 800	22 800	22 800	24 054
Households	145	110	143		3	3			
Payments for capital assets	350 344	211 835	51 532	2 500					
Buildings and other fixed structures		72 289	32 757						
Machinery and equipment	248 331	112 040	8 363	2 500					
Software and other intangible assets	102 013	27 506	10 412						
Payments for financial assets	284								
Total economic classification	900 980	961 145	1 008 670	906 867	1 047 328	1 047 328	1 020 846	1 076 883	1 152 076

Expenditure under this programme increased from R901 million in 2015/16 to R961 million in 2016/17 and R1 billion in 2017/18. The expenditure decreases from R1 billion in 2017/18 to R907 million in 2018/19 due to the reduction in the indicative allocation for GBN from R459 million in 2017/18 to R321 million 2018/19. The expenditure estimates are set to increase from R1 billion in 2019/20 to R1.1 billion in 2021/22. This programme constitutes the core of the department's mandate. The increasing funding from R1.02 billion to R1.1 billion over the 2019 MTEF is dedicated to the implementation of the following critical components of the GPG Digital Ecosystem, namely common platform citizen-facing services; GPG common platform back-end; ICT infrastructure and GBN.

Over the seven-year period under review actual expenditure on compensation of employees increases from R94.4 million in 2015/16 to R137 million in 2017/18. During the 2018/19 financial year, the compensation of employees was adjusted downward by R7.8 million from R173 million to R165 million to redirect funding towards GBN. Expenditure estimates increase from R183.2 million in 2019/20 to R204.2 million in 2021/22. The annual compensation increases reflect the continued drive to fill critical posts under the programme. The projected expenditures are driven largely by the drive to fill funded and critical posts in order to support the department's mandate of championing the modernisation of government in Gauteng to rollout broadband and other e-Government services.

Actual expenditure incurred on goods and services increased from R456 million in 2015/16 to R797 million in 2017/18. Expenditure estimates amount to R859 million in 2018/19 following up on the additional allocation of R100 million from Provincial Treasury during the Adjustment Budget. The estimates for goods and services over the 2019 MTEF average R866.3 million annually. In line with the drive to implement the critical components of the GPG digital ecosystem, a major portion of the total budget for goods and services has been allocated to ecosystems' main cost drivers, namely common platform's citizen-facing services (e-Services and Apps, Information, Online Resources and Support)

Furthermore, funds are allocated for the common platform's back-end, namely enterprise architecture; data management, authentication, content management, integration, business processes, GPG departmental back-end systems, HR capacity, QA & DAV Centre testing, maintenance, development and expansion. In relation to ICT, infrastructure funds are allocated for fully managed data centres, cyber security, data recovery, delivery channels and security operations centre. Lastly, funds are also allocated for GBN for LAN, WAN, VOIP. In addition, the budget under the programme continues to provide for licence maintenance and support, email management and archiving solutions, as well as other day-to-day operational requirements.

By the end of the 2014/15 financial year, six GBN core sites had been built and connected. The core sites mentioned are: Chris Hani Baragwanath Hospital, 75 Fox Street, 82 Grayston Drive, the West Rand District Offices in Randfontein, and Teraco in Kempton Park for Internet and Telkom for the government data centre. The core sites are distribution nodes from which it is possible to start connection to other government buildings.

Provision is made under transfers for the upkeep and maintenance of the DAV Centre over MTEF at R22.8 million for 2018/19, 2019/20, and 2020/21. R24 million is provided for in 2021/22.

SERVICE DELIVERY MEASURES

PROGRAMME 2: INFORMATION COMMUNICATION TECHNOLOGY SERVICES SHARED SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of provincial ICT standards approved	4	3	2	2
Number of new provincial ICT policies approved annually	1	1	1	1
Number of provincial ICT policies implemented, reviewed annually	2	1	1	1
Number of ICT strategies developed and approved	2			
Number of provincial communities of practice established	1	1	1	1
Number of GBN sites connected		90	90	90
Percentage availability of GBN	98%			
Number of sites provided with VoIP	90	100	120	150
Number of LAN sites integrated	16	100	120	140
Number of Departments (14) and their agencies (7) migrated to the GPG private cloud	3 agencies	3 agencies		
Number of new e-services developed	5	6	7	
Number of e-services tested by the DAV Centre	5	6	7	7
Percentage availability of GPG transversal services	98%	98%	98%	98%
Number of young people appointed in learnerships annually	20	20	20	20
Number of advocacy events on e-services annually	6	6	6	6
Number of Customer Satisfaction Surveys conducted annually (G2G, G2B, G2C)	3	4	4	4
Number of e-services promotion reports produced	5	6	8	8
Number of service level agreements with departments reviewed annually	14	14	14	14
Number of partnership agreements concluded	7			
Number of ICT concepts from Township entrepreneurs tested	20	20	25	25
Number of Township Developers appointed annually to develop e-services	5	5	5	5

PROGRAMME 3: HUMAN RESOURCE SERVICES

Programme description

To modernise HR business processes within the GPG through provisioning of ICT systems, promoting their optimal utilisation and producing analytical HR information useful for purposes of decision-making.

Programme objectives

To optimise, digitise and promote Human Resource Services-related business processes to enable efficient decision-making.

TABLE 13.10: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: HUMAN RESOURCES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Hr Chief Dir Support	889	805	1 116	1 159	1 012	1 012	1 243	1 313	1 385
2. Hr Administration Cluster 1	18 666	22 375	23 271	28 172	24 824	24 834	27 082	28 619	30 193
3. Hr Administration Cluster 2	17 797	17 639	24 393	28 225	27 164	27 165	29 805	31 510	33 244
4. Hr Information Management	2 447		6 368	6 047	5 171	5 171	6 128	6 469	6 824
5. Payroll Services	18 666	24 280	22 005	26 973	25 122	25 123	28 413	30 039	31 691
6. Debt Administration	15 193	17 060	19 378	23 799	22 424	22 179	25 309	26 753	28 224
7. Injury On Duty	6 420	6 068	7 083	7 551	7 609	7 855	8 214	8 694	9 173
Total payments and estimates	80 078	88 227	103 614	121 926	113 326	113 339	126 194	133 397	140 734

TABLE 13.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	79 890	88 194	103 294	121 926	113 106	113 105	126 194	133 397	140 734
Compensation of employees	79 535	87 668	96 563	115 123	106 485	106 483	119 010	125 818	132 738
Goods and services	355	526	6 731	6 803	6 621	6 622	7 184	7 579	7 996
Interest and rent on land									
Transfers and subsidies to:	188	22	314		220	234			
Households	188	22	314		220	234			
Payments for capital assets		11							
Machinery and equipment		11							
Payments for financial assets			6						
Total economic classification	80 078	88 227	103 614	121 926	113 326	113 339	126 194	133 397	140 734

The HR programme is, among others, responsible for the processing of mandates for the GPG departments, which include human resources terminations, leave pay, pension withdrawals and Senior management Services.

The expenditure increased from R80 million in 2015/16 to R88.2 million in 2016/17. Expenditure was driven by personnel costs, which accounted for 99 per cent of the budget. Spending reflects the programme's objective to promote and digitise the services that related to human resources. The budget is set to increase from R126.1 million in 2019/20 to R140.7 million in 2021/22 to fund and maintain the programme's business mandate.

Spending on compensation of employees increased from R79.5 million in 2015/16 to a projected amount of R106.4 million in 2018/19. Components of the personnel expenditure estimates comprise the standard provisions for annual payroll expenses including projected annual CPI adjustments, notch progression, planned overtime and other personnel-related expenditure such as annual performance bonuses. The budget for compensation of employees decreased by R8.6 million in 2018/19 when the un-utilised funds for personnel were re-allocated to Programme 2 to fund the budget pressures in the GBN Project. The budget estimates for the compensation of employees increase from R119 million in 2019/20 to R132.7 million in 2021/22.

Expenditure on goods and services increased from R355 000 in 2015/16 to R526 000 in 2016/17. In 2017/18 the actual expenditure on goods and services amounted to R6.7 million, the main cost driver of which was the procurement of the Security and Performance Monitoring Service (SPSM) system to improve turnaround times for processing benefits across the province. Other drivers of expenditure comprised the debt management solution and the Maponya Mall Thusong Centre. The expenditure estimates for goods and services average R7.6 million over the 2019 MTEF, R7.1 million is allocated in 2019/20 and R7.9 million is allocated in 2021/22. The operations funded in programme include the service delivery of Thusong Centre at Maponya Mall in Soweto.

SERVICE DELIVERY MEASURES

PROGRAMME 3 : HUMAN RESOURCE SERVICES

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of GPG departments utilising E-PMDS	1 department	1 department	2 Agencies	2 Agencies
Number of GPG departments utilising E-Recruitment	1 department	1 department	2 Agencies	2 Agencies
Number of GPG departments utilising Automated Termination Services	1 department	1 department	2 Agencies	2 Agencies
Number of GPG departments and their agencies utilising Automated Leave Management	9 department	9 department	2 Agencies	2 Agencies
Number of GPG departments and their agencies utilising Automated Payroll allowance	9 department	9 department	2 Agencies	2 Agencies

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 13.12: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT: E-GOVERNMENT

R thousands	Actual						Revised estimate						Medium-term expenditure estimate						Average annual growth over MTEF			
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22		2018/19 - 2021/22		2018/19 - 2021/22			
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	Personnel growth rate	Costs growth rate	% of Total	
Salary level																						
1 – 6	139	46 155	118	28 848	160	37 273	160		160	37 817	162	44 497	162	44 497	162	47 015	0%	8%	0%	8%	9%	
7 – 10	357	124 597	404	142 044	485	163 293	485		485	208 254	488	233 096	488	233 096	488	246 211	0%	6%	0%	6%	48%	
11 – 12	81	46 769	107	73 023	147	96 085	147		147	118 243	155	137 922	155	137 922	155	145 485	2%	7%	2%	7%	28%	
13 – 16	35	30 465	36	34 587	46	43 268	47		47	47 651	46	54 398	46	54 398	46	59 490	(1%)	8%	(1%)	8%	11%	
Other		22 905		31 585		24 072				10 980		19 015		22 822		21 994	0%	26%	0%	26%	4%	
Total	612	270 891	665	310 087	838	363 991	839		839	422 945	851	466 133	851	492 735	851	520 195	0%	7%	0%	7%	100%	
Programme																						
1. Administration	257	96 920	256	115 419	316	130 738	316		316	150 974	328	163 897	328	173 328	328	183 221	1%	7%	1%	7%	35%	
2. Information Communication Technology(Ict) Shared Services	154	94 436	166	107 000	258	136 690	258		258	165 487	258	183 226	258	193 589	258	204 236	0%	7%	0%	7%	39%	
3. Human Resources Services	201	79 535	243	87 668	264	96 563	265		265	106 484	265	119 010	265	125 818	265	132 738	0%	8%	0%	8%	25%	
Direct charges																						
Total	612	270 891	665	310 087	838	363 991	839		839	422 945	851	466 133	851	492 735	851	520 195	0%	7%	0%	7%	100%	

Staff in junior management increased from 404 in 2016/17 to 485 in 2018/19. This significant increase could also be seen in middle management level, from 81 employees in 2015/16 to 107 employees in 2016/17 and 147 in 2018/19. This increase relates to the department's need for specialised skilled ICT professionals in order to carry out its mandate of building an enabling infrastructure for connected GCR government. The personnel numbers of the department increases from 839 in 2018/19 to 851 over the 2019 MTEF. The increase reflects the department's plan to implement the new structure after completing all processes.

9.2 Training

The Department of e-Government plans for skills development aim to equip staff with the requisite skills for the government to achieve its goals through skills development and the bursary administration programme. The department also aims to provide the generic competences that empower staff members to perform their duties. The generic development programmes include mentorship and staff empowerment for junior and middle management. The department also aims to facilitate the development of youth through the workplace development interventions, internships, traineeships and learnership development programmes.

TABLE 13.13: INFORMATION ON TRAINING: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Number of staff	612	665	838	839	839	839	851	851	851
Number of personnel trained	628	668	683	683	683	683	683	751	751
of which									
Male	362	389	291	291	291	291	291	320	320
Female	266	279	392	392	392	392	392	431	431
Number of training opportunities	1 000	900	1 067	1 067	1 067	1 067	1 067	1 173	1 173
of which									
Tertiary	389	350	387	387	387	387	387	425	425
Workshops	111	100	120	120	120	120	120	132	132
Seminars	56	50	60	60	60	60	60	66	66
Other	444	400	500	500	500	500	500	550	550
Number of bursaries offered	90	75	85	85	85	85	85	94	94
Number of interns appointed	44	40	75	80	80	80	90	100	100
Number of learnerships appointed	45	40	50	50	50	50	50	55	55
Number of days spent on training									
Payments on training by programme									
1. Administration	1 637	4 958	3 798	2 879	2 255	2 255	2 630	3 397	3 605
2. Information Communication Technology(Ict) Shared Services									
3. Human Resources Services									
Total payments on training	1 637	4 958	3 798	2 879	2 255	2 255	2 630	3 397	3 605

The department embraces the culture of a learning organisation, also aiming at engaging partners and stakeholders in the value chain of skills acquisitions. Partners referred to include the institutions of higher learning, TVET colleges, Microsoft SA, SAP and all other organisations that have adopted the Youth Employment Accord and all plans for the development of skills in SA. Stakeholders will include partnerships with respective national, other provincial departments and local government in ensuring that there is skills development across South Africa, primarily aiming in the development of young professionals.

9.3 Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 13.15: SPECIFICATION OF RECEIPTS: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	572	507	529	580	580	580	604	637	672
Sale of goods and services produced by department (excluding capital assets)	572	507	529	580	580	580	604	637	672
Sales by market establishments	572	507	529	580	580	580	604	637	672
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land	11	10	9	12	12	12	12	13	14
Interest	11	10	9	12	12	12	12	13	14
Sales of capital assets		10							
Land and sub-soil assets		10							
Transactions in financial assets and liabilities	1 224	29	582	46	46	4 618	49	52	55
Total departmental receipts	1 807	556	1 120	638	638	5 210	665	702	741

TABLE 13.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: E-GOVERNMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	778 623	994 704	1 251 354	1 245 899	1 366 450	1 366 066	1 390 464	1 473 459	1 567 827
Compensation of employees	270 891	310 087	363 991	454 148	422 945	422 944	466 133	492 735	520 195
Salaries and wages	236 705	270 712	319 010	393 068	371 583	371 562	410 983	435 422	460 139
Social contributions	34 186	39 375	44 981	61 080	51 362	51 382	55 150	57 313	60 056
Goods and services	507 732	684 617	887 363	791 752	943 505	943 122	924 331	980 724	1 047 632
Administrative fees	1 421	774	388	575	692	691	412	478	504
Advertising	856	399	2 613	4 133	3 210	3 212	3 520	3 728	3 939
Minor assets	377	1 183	190	1 355	1 100	1 100	1 687	2 164	2 283
Audit cost: External	3 673	4 729	4 179	6 800	6 800	6 800	7 100	7 400	7 807
Bursaries: Employees	1 054	1 923	1 213	1 734	1 734	1 734	1 831	1 932	2 039
Catering: Departmental activities	77	551	123	135	135	135	150	180	190
Communication (G&S)	4 613	3 560	2 229	2 953	1 653	1 653	2 064	2 297	2 425
Computer services	420 927	465 616	671 956	666 802	762 063	731 114	770 133	816 265	876 271
Consultants and professional services: Business and advisory services	7 468	1 268	13 543	658	1 354	2 654	784	861	940
Legal services	1 464	1 892	3 138	2 724	2 225	2 225	1 500	1 700	1 900
Contractors	4 424	2 516	4 077	7 258	8 524	6 565	17 166	18 613	14 810
Fleet services (including government motor transport)	397	203	1 367	1 500	2 009	3 513	3 831	4 133	4 459

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Consumable supplies	985	908	1 457	1 033	1 317	1 320	1 115	1 235	1 357
Consumable: Stationery, printing and office supplies	1 749	3 659	3 892	2 204	2 204	3 204	1 645	1 650	1 655
Operating leases	28 007	161 248	134 196	54 583	115 558	144 267	73 896	76 229	80 946
Property payments	19 014	22 998	25 331	23 319	21 163	21 163	26 591	29 985	33 664
Travel and subsistence	968	998	1 133	1 200	1 197	1 197	1 200	1 200	1 200
Training and development	1 637	4 958	3 798	2 879	2 255	2 255	2 630	3 397	3 605
Operating payments	2 731	4 201	5 076	5 708	6 514	6 520	6 002	6 421	6 788
Venues and facilities	5 886	448	6 628	4 200	1 546	1 546	150	200	250
Rental and hiring	4	585	388		250	250	924	656	600
Transfers and subsidies	23 485	23 166	23 550	23 426	23 426	23 427	23 450	23 500	24 804
Departmental agencies and accounts									
Provide list of entities receiving transfers									
Higher education institutions		22 800	22 800	22 800	22 800	22 800	22 800	22 800	24 054
Households	23 485	366	750	626	626	627	650	700	750
Social benefits	23 485	340	750	626	626	627	650	700	750
Other transfers to households		26							
Payments for capital assets	352 457	219 488	58 659	4 500	900	1 192			
Buildings and other fixed structures		72 289	32 757						
Machinery and equipment	250 431	119 628	15 335	4 500	900	1 192			
Transport equipment	855	5 773	423						
Other machinery and equipment	249 576	113 855	14 912	4 500	900	1 192			
Software and other intangible assets	102 026	27 571	10 567						
Payments for financial assets	341	20	48		17	108			
Total economic classification	1 154 906	1 237 378	1 333 611	1 273 826	1 390 793	1 390 793	1 413 914	1 496 959	1 592 631

TABLE 13.17: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	148 526	180 110	213 865	242 406	228 819	228 436	266 224	285 979	299 071
Compensation of employees	96 920	115 419	130 738	165 644	150 973	150 974	163 897	173 328	183 221
Salaries and wages	83 571	100 521	114 627	136 412	132 500	132 500	144 043	152 799	161 971
Social contributions	13 349	14 898	16 111	29 232	18 473	18 474	19 854	20 529	21 250
Goods and services	51 606	64 691	83 127	76 763	77 846	77 462	102 327	112 651	115 850
Administrative fees	1 403	774	187	525	525	525	235	295	311
Advertising	856	391	2 582	4 102	3 180	3 181	3 487	3 693	3 902
Minor assets	139	822	181	1 100	1 100	1 100	1 550	2 020	2 131
Audit cost: External	3 673	4 729	4 179	6 800	6 800	6 800	7 100	7 400	7 807

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Bursaries: Employees	1 054	1 923	1 213	1 734	1 734	1 734	1 831	1 932	2 039
Catering: Departmental activities	77	547	123	135	135	135	150	180	190
Communication (G&S)	1 087	1 265	1 427	1 453	1 453	1 453	1 664	1 875	1 980
Computer services	139	145	4	1 193	990	990	895	996	197
Consultants and professional services: Business and advisory services	1 141	1 115	5 698	658	1 354	2 654	784	861	940
Legal services	1 464	1 892	3 138	2 724	2 225	2 225	1 500	1 700	1 900
Contractors	1 700	2 184	4 062	6 258	8 335	6 327	16 972	18 411	14 597
Fleet services (including government motor transport)	397	203	1 364	1 500	2 009	3 512	3 831	4 133	4 459
Consumable supplies	304	784	1 165	1 033	884	887	1 115	1 235	1 357
Consumable: Stationery, printin g and office supplies	1 742	3 659	3 892	2 204	2 204	3 204	1 645	1 650	1 655
Operating leases	6 702	10 473	11 203	8 455	12 155	9 973	22 457	24 783	26 670
Property payments	18 687	22 926	25 299	23 257	21 101	21 101	26 526	29 916	33 591
Travel and subsistence	911	998	1 133	1 200	1 197	1 197	1 200	1 200	1 200
Training and development	1 616	4 958	3 798	2 877	2 255	2 255	2 450	3 207	3 405
Operating payments	2 699	3 870	5 061	5 356	6 412	6 409	5 861	6 308	6 669
Venues and facilities	5 811	448	6 582	4 200	1 546	1 546	150	200	250
Rental and hiring	4	585	388		250	250	924	656	600
Transfers and subsidies	23 152	234	293	626	403	390	650	700	750
Departmental agencies and accounts									
Provide list of entities receiving transfers									
Households	23 152	234	293	626	403	390	650	700	750
Social benefits	23 152	214	293	626	403	390	650	700	750
Other transfers to households		20							
Payments for capital assets	2 113	7 642	7 127	2 000	900	1 192			
Machinery and equipment	2 100	7 577	6 972	2 000	900	1 192			
Transport equipment	855	657	423						
Other machinery and equipment	1 245	6 920	6 549	2 000	900	1 192			
Software and other intangible assets	13	65	155						
Payments for financial assets	57	20	42		17	108			
Total economic classification	173 848	188 006	221 327	245 033	230 139	230 126	266 874	286 679	299 821

TABLE 13.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFORMATION COMMUNICATION TECHNOLOGY (ICT) SHARED SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	550 207	726 400	934 195	881 567	1 024 525	1 024 525	998 046	1 054 083	1 128 022
Compensation of employees	94 436	107 000	136 690	173 381	165 487	165 487	183 226	193 589	204 236
Salaries and wages	84 524	95 469	122 222	157 257	148 247	148 248	164 663	174 204	183 786
Social contributions	9 912	11 531	14 468	16 124	17 240	17 239	18 563	19 385	20 450
Goods and services	455 771	619 400	797 505	708 186	859 038	859 038	814 820	860 494	923 786
Administrative fees			2						
Minor assets	238	361	9	255			137	144	152
Catering: Departmental activities		1							
Communication (G&S)	3 526	2 295	802	1 500	200	200	400	422	445
Computer services	420 635	465 262	665 589	659 077	754 839	723 889	762 464	808 119	868 531
Consultants and professional services: Business and advisory services	6 327	153	7 845						
Contractors	2 724	256	15	1 000	189	238	194	202	213
Consumable supplies	681	124	292		433	433			
Consumable: Stationery, printing and office supplies									
Operating leases	21 176	150 678	122 933	46 000	103 275	134 166	51 304	51 304	54 126
Property payments	279								
Travel and subsistence	57								
Training and development	21			2			180	190	200
Operating payments	32	270	15	352	102	111	141	113	119
Venues and facilities	75								
Transfers and subsidies	145	22 910	22 943	22 800	22 803	22 803	22 800	22 800	24 054
Higher education institutions		22 800	22 800	22 800	22 800	22 800	22 800	22 800	24 054
Households	145	110	143		3	3			
Social benefits	145	110	143		3	3			
Payments for capital assets	350 344	211 835	51 532	2 500					
Buildings and other fixed structures		72 289	32 757						
Machinery and equipment	248 331	112 040	8 363	2 500					
Transport equipment		5 116							
Other machinery and equipment	248 331	106 924	8 363	2 500					
Software and other intangible assets	102 013	27 506	10 412						
Payments for financial assets	284								
Total economic classification	900 980	961 145	1 008 670	906 867	1 047 328	1 047 328	1 020 846	1 076 883	1 152 076

TABLE 13.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCES SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	79 890	88 194	103 294	121 926	113 106	113 105	126 194	133 397	140 734
Compensation of employees	79 535	87 668	96 563	115 123	106 485	106 483	119 010	125 818	132 738
Salaries and wages	68 610	74 722	82 161	99 399	90 836	90 814	102 277	108 419	114 382
Social contributions	10 925	12 946	14 402	15 724	15 649	15 669	16 733	17 399	18 356
Goods and services	355	526	6 731	6 803	6 621	6 622	7 184	7 579	7 996
Administrative fees	18		199	50	167	166	177	183	193
Advertising		8	31	31	30	31	33	35	37
Catering: Departmental activities		3							
Computer services	153	209	6 363	6 532	6 234	6 235	6 774	7 150	7 543
Contractors		76							
Consumable: Stationery, printing and office supplies	7								
Operating leases	129	97	60	128	128	128	135	142	150
Property payments	48	72	32	62	62	62	65	69	73
Operating payments		61							
Rental and hiring									
Transfers and subsidies	188	22	314		220	234			
Households	188	22	314		220	234			
Social benefits	188	16	314		220	234			
Other transfers to households		6							
Payments for capital assets		11							
Machinery and equipment		11							
Other machinery and equipment		11							
Payments for financial assets			6						
Total economic classification	80 078	88 227	103 614	121 926	113 326	113 339	126 194	133 397	140 734

VOTE 14

GAUTENG PROVINCIAL TREASURY

To be appropriated by vote in 2019/20	R 834 950 000
Responsible MEC	MEC for Finance
Administering Department	Gauteng Provincial Treasury
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To provide strategic leadership in financial and fiscal matters to ensure sustainable and inclusive social and economic development of the people of Gauteng so that all may enjoy value for money services of the highest quality.

Mission

We are an activist Treasury that enables and promotes quality service delivery for the citizens of Gauteng through:

- Sustainable financing and funding that ensures developmentally focused allocation of resources and innovative revenue generation;
- Efficient cash management that ensures sustainable liquidity levels in the province;
- Effective financial management and reporting that ensures responsible stewardship and transparent resource utilization and expenditure; and
- A well-structured governance framework that ensures accountability, transparency and fiscal discipline in line with statutory obligations.

Strategic goals

- To promote better planning and budgeting synergy across all spheres of government in the province;
- To ensure balanced budgeting and sustainable funding for legislative mandates and strategic priorities of the province;
- To ensure approved financial resources are spent efficiently, effectively and economically across the province;
- To support all departments, entities and municipalities to achieve unqualified audits;
- To reduce fraud and corruption and promote clean government across the province; and
- To ensure statutory obligations are met and that decision makers facilitate appropriate interventions.

Core functions and responsibilities

The functions of the Gauteng Provincial Treasury are described in the Public Finance Management Act (PFMA, 1999) and the Municipal Finance Management Act (MFMA, 2003). These can be summarised as follows:

- To manage the budget allocation for the Gauteng Provincial Government;
- To ensure the instilling of fiscal discipline and corporate governance in the province;
- To ensure proper cash management;
- To ensure the effective and efficient utilisation of resources – value for money and compliance with all relevant legislation;
- To develop, implement and monitor compliance with corporate governance norms and standards relating to provincial and local government; and
- To ensure adequate financial accountability.

Main services

The mandate of the Gauteng Provincial Treasury is to promote good governance by providing stewardship on all financial matters in the province and to ensure that provincial budgets and budgetary processes promote transparency, accountability and the effective financial management of resources. In essence, the role of department is to ensure that provincial strategies are funded through projects and other initiatives which are aligned to the provincial priorities and the principles of the Batho Pele policy.

Ten-Pillar Programme of Transformation, Modernisation and Re-industrialisation

The fifth administration of the Gauteng Province adopted a ten-pillar programme of radical Transformation, Modernisation and Reindustrialisation (TMR) which puts emphasis on radical socio-economic transformation, being an activist and a responsive government. The TMR programme is supported by ten pillars. In this regard, the GPT supports all ten pillars in the TMR programme through reprioritizing and ensuring all the new provincial priorities are resourced. The mandate of the Gauteng Provincial Treasury is essentially centered on promoting good governance by providing stewardship on all financial matters in the Province. In essence, the role of the department is thus focused on ensuring that strategies and key provincial priorities and projects which align to the TMR programme are funded.

At a departmental level, the department directly supports the following Provincial Pillars:

- Pillar 1: Radical economic transformation;
- Pillar 4: Transformation of state and governance; and
- Pillar 5 : Modernisation of the public service.

As an activist Treasury, we have adopted pillars which support and align to the TMR programme and also operationalise the department's mission and vision. The adopted departmental pillars are as follows:

- Promoting better planning and budgeting synergy across all spheres of government in the province;
- Sustainable financing and funding;
- Effective and efficient financial management;
- Support radical economic transformation; and
- Perform all Treasury's statutory obligations and promote a transparent and accountable government.

The Gauteng Provincial Treasury will , amongst others, implement the following deliverables:

- Ensure credible planning and budgeting processes amongst GPG institutions
- Increase and optimize own revenue generation from provincial sources
- Increase township spend in government procurement
- Conduct audit services that assist in improving the controls environment for GPG departments and trading entities
- Full implementation of the Open Tender Process in GPG institutions
- Reduce historical irregular expenditure
- Monitor the reduction of confirmed provincial government debt
- Implement the Forensics Services strategy in order to eradicate fraud and corruption in the Province
- Implement various supplier development initiatives in partnership with the private sector
- Ensure timely payment of invoices for services rendered
- Manage the budget of non-core budgetary items and personnel within GPG
- Conduct probity audits to improve transparency in government procurement processes through the open tender process
- Support Tshepo 1 Million programme
- Ensure compliance with regulatory and legislated reporting requirements

National Development Plan

The National Development Plan (NDP) envisions a South Africa where everyone feels free yet bounded to others; where everyone embraces their full potential, a country where opportunity is determined not by birth, but by ability, education and hard work. The realisation of such a society will require transformation of the economy and focused efforts to build the country's capabilities. The main challenge has been unevenness in capacity that leads to uneven performance in local, provincial and national government. There is a clear need to build the capability of the state to play a developmental and transformative role.

In alignment with the need to build a capable and developmental state, the Gauteng Provincial department has aligned its objectives with the provincial transformation, modernisation and reindustrialisation programme. The department supports initiatives espoused in the Transformation, Modernisation and Reindustrialisation (TMR) programme.

Some of the key objectives of the NDP are listed below:

- A state that is capable of playing a developmental and transformative role;
- A public service immersed in the development agenda but insulated from undue political interference;
- Relations between national, provincial and local government are improved through a more proactive approach to managing the intergovernmental system; and
- Strengthening local government.

GPT will continue to intensify the fight against corruption, collusion and maladministration, serve the people with compassion and professionalism, strengthen partnerships with the private sector, labour and civil society and promote social cohesion in Gauteng.

External activities and events relevant to budget decisions

The International Monetary Fund (IMF) has projected global economic growth at 3.7 per cent for 2018, 3.5 per cent in 2019, and 3.6 per cent in 2020. The projections for growth for 2019 and 2020 were revised down by 0.2 percentage points and 0.1 percentage points, respectively. These lower growth estimates are mainly due to the fact that expected growth for the Euro area has been revised downward and due to the balance of growth risks still being skewed to the downside in the near term and the no-deal" withdrawal of the United Kingdom from the European union, after several major economies moderated in high-frequency economic indicators, continuation of the trade tension between China and the US and tighter financial conditions in some vulnerable economies.

However, emerging market and developing economies' growth remains mixed. This is as a result of the recent rise in oil prices, higher yields in the United States, dollar appreciation, trade tensions and geopolitical conflict. These factors affect different regional and individual economies differently and cause them to have varying economic growth prospects. Emerging market and developing economies growth is expected at 4.5 per cent in 2019 and 4.9 per cent in 2020.

The South African economic outlook is weaker than expected, following an unexpected growth contraction of 2.6 per cent in the first quarter of 2018. The economy entered into a recession in the second quarter of 2018 due to weaker than expected performance in agriculture. Growth contracted by 0.4 per cent in that quarter. However, indications are that the overall growth for 2018 will be positive, although less than what was initially expected. Third quarter economic growth improved at 2.2 per cent, and the National Treasury now forecasts growth of 0.7 per cent in 2018, and 1.7 per cent in 2019.

The Gauteng economy remains the dominant economic hub of South Africa. After a revised economic growth of 0.1 per cent in the second quarter and an estimated growth of 2.9 per cent in the third quarter, the provincial economy is growing faster than previously thought. The current forecast indicates that the Gauteng economy will grow by 1.7 per cent for 2019 and 1.9 per cent for 2020.

Although the outlook has improved when compared to the recent past, the level of economic growth in the country remains well below previous highs. This has led to the President of South Africa, Cyril Ramaphosa, to announce new economic stimulus measures. These measures will focus on increased investment in public infrastructure, increased support for entrepreneurship and employment incentives, trade support measures for high growth impact sectors, localised procurement, and training for unemployed youth. These measures, along with the improved outlook are expected to improve the country's growth path.

Acts, rules and regulations

- Division of Revenue Act, 2018 (Act No. 1 of 2018);
- Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004);
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) as amended by B-BBEE Act 46 of 2013;
- Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and Preferential Procurement Regulations 2017;
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);
- Municipal Systems Act, 2000 (Act No. 32 of 2000);
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000);
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)
- Treasury Regulations issued in terms of the Public Finance Management Act, 1999, Act No. 1 of 1999;
- Public Finance Management Act, 1999 (Act No. 1 of 1999)
- Employment Equity Act, 1998 (Act No. 55 of 1998);
- National Skills Development Act, 1998 (Act No. 97 of 1998)
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997);
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Government Employees Pension Law, 1996 (Proclamation No. 21 of 1996);
- Borrowing Powers of Provincial Government Act, 1996 (Act No. 48 of 1996);
- The National Archives and Records Service of South Africa Act, 1996 (Act No. 43 of 1996 as amended);
- The Constitution of the Republic of South Africa, 1996;
- Development Facilitation Act, 1995 (Act No. 67 of 1995); and

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

The department continued to support the implementation of the GPG Transformation, Modernisation and Reindustrialisation programme in the 2018/19 financial year. The GPT contributed directly to three pillars of the TMR programme, namely, Pillar 1 - radical economic transformation, Pillar 4 - transformation of state and governance and Pillar 5 - modernisation of public service.

The following has been implemented:

PILLAR 1: RADICAL ECONOMIC TRANSFORMATION

To create an enabling environment for township-based SMME to do business with GPG

The key focus area for the Township Economy Revitalisation strategy is the revitalising and mainstreaming of the township economy and the development of SMMEs and co-operatives. GPT continued with efforts to increase the number of companies registered on the provincial database as a measure to expand the pool of suppliers available to do business with government.

The department, working with external partners, intensified its supplier development programmes and this resulted in a total of 1 207 suppliers undergoing supplier development training to date in the year under review. This training ensured that they are fully compliant with government prescripts relating to procurement and are developed not only to supply government but also to compete within the private sector market.

Payment of invoices for services rendered is an important element in ensuring the sustainability of SMMEs and cooperatives. The Gauteng Provincial Treasury department put measures and processes in place to ensure timeous payment of invoices within 30 days upon receipt of final and correct invoices. During the period under review, 100 per cent of all invoices were paid within 30 days and 99 per cent were paid within 15 days.

To support the development and implementation of the township revitalisation strategy that encourages the increase in township spend

The GPT increased contribution to revitalizing townships by leveraging procurement to transform the economy. In this regard, the department ensured that the provincial government increased its spending in registered township suppliers on the database to meet the target of 30 per cent of discretionary spend by the end of the 2018/19 financial year. This was achievable with the collaboration of the local government sphere and GPG entities and it was key in ensuring availability of comprehensive reporting on TER across the Gauteng City Region. Currently, all GPG departments have spent 11 per cent of their total procurement on township suppliers.

Inclusion and sustainability of emerging enterprises are key elements in the acceleration of economic transformation. This is achievable through empowerment which entails a combination of supplier development, access to finance and markets in the mainstream economy. In this regard, the department continued with the implementation of various supplier development initiatives, which have been established through partnerships with the private sector to ensure that township suppliers receive the net benefit due to them.

The GPT also continued with its efforts of increasing the number of suppliers registered on the CSD to increase the pool of suppliers available to do business with government. The department continued to monitor and ensure compliance to and implementation of Regulations (PPR) from 1 April 2017 that requires government institutions to sub-contract 30 per cent of all tenders over R30 million.

PILLAR 4: TRANSFORMATION OF STATE AND GOVERNANCE

Promoting better planning and budgeting synergy across all spheres of government

Synergy in the three spheres of government promotes better planning and budgeting resulting in an integrated and credible planning framework which will ensure alignment of plans across the spheres of government. Synergising processes is an integral element in ensuring that provincial priorities are strategically resourced with the potential to accelerate service delivery for the Gauteng citizenry and realise economies of scale.

To ensure better planning, the department has coordinated budget planning processes and facilitated stakeholder meetings through convening of Budget Fora and Medium Term Expenditure Committee (MTEC). These structures were used to ensure the alignment of provincial strategic programmes with available limited resources. At the local government level, various IGR engagements (CFO Forum, MEC/MMC meetings, Premiers Coordinating Forum) were held to ensure alignment of IDPs and budgets with the TMR programme. Timeous draft and final budget assessments were conducted to provide guidance to municipalities on their budgets.

Ensuring balanced budgeting and sustainable funding for legislative mandates and strategic priorities of the province

As the provincial government continues to implement the TMR programme, the realisation of the programme objectives requires adequate funding of key priorities. The department put measures in place to ensure that own revenue targets as outlined in the Provincial Revenue Strategy are realised, these measures resulted in the collection of 82 per cent of 2018/19 adjusted appropriation by end of 3rd quarter.

Ensuring that approved financial resources are spent efficiently, effectively and economically across the province

The GPT is managing the personnel budget within GPG to ensure that personnel costs is maintained below 60 per cent. Expenditure on infrastructure and conditional grants are monitored and tracked to ensure improvement from the achieved 97 per cent and 95 per cent in the previous financial year. To improve spending on infrastructure projects, the department only funded projects that were ready for implementation. Similarly, the department ensured efficient spending on provincial transfers to municipalities and has increased capital expenditure at municipalities by putting in place various tracking and monitoring mechanisms. Furthermore, fiscal responsiveness assessments were undertaken to enhance oversight in municipalities.

The department continued to work closely with departments and municipalities to ensure the rollout of the infrastructure investment programme in the province. The programme is enabling GPG to deliver infrastructure that supports the provision of public services and contribute to the creation of jobs. The province's liquidity levels have remained steady and sustainable, due to the implementation of prudent cash management practices, which ensured that cash-outflows did not exceed provincial revenue streams.

Supporting all departments, entities and municipalities to achieve unqualified audits

The efforts and interventions by the GPT in supporting departments, municipalities, and entities to manage their finances in accordance with laws and regulations have resulted in improved audit outcomes for the provincial government. The GPT continued to work closely with departments, entities and municipalities to ensure sustainability and improvement of the audit outcomes. All GPG departments and entities have achieved unqualified audit outcomes for the 2017/18 financial year.

The department conducted risk-based internal audits to departments and entities to limit their risk exposure and improve their internal control environments. Relevant programmes within the GPT, tracked the implementation of the Auditor General's recommendations.

Reducing fraud and corruption and promoting clean government across the province

The GPG is committed to fight fraud and corruption in the public service to construct and advocate for a capable, responsive, accountable, clean and activist government machinery. The five key pillars of Deterrence, Prevention, Detection, Investigation, Sanctions and Recovery as espoused in the Forensic Services strategy are at the centre of fighting and eradicating fraud and corruption in GPG. The GPT has worked closely with departments to fast-track implementation of the recommendations of fraud detection reviews to expedite action against maladministration, incompetence and corruption. The results of the detection reviews have assisted in the identification of risk areas and development of control measures to tighten processes and systems to minimize fraud and corruption.

One of the key projects in fighting corruption is the implementation of the Open Tender system which has been implemented by all GPG departments. More than 104 projects went through the open tender process in 2018/19. The open tender system has through its probity audit managed to save the provincial government a total of R1.2 billion from irregular expenditure.

Ensuring that statutory obligations are met and that decision makers facilitate appropriate interventions

Compliance with rules and regulations is key in fulfilment of the GPT's mandate. This is achieved by ensuring timeous submissions of credible reports to various key stakeholders as well as payments of invoices to suppliers within the prescribed timeframe of 30 days upon receipts of correct invoice. The GPT has fulfilled all its reporting requirements for the period under review.

The GPT achieved a score of 3.7 for the 1.7 MPAT cycle and has put interventions in place to ensure compliance to all MPAT standards and requirements in the next cycle. The department has also achieved a clean audit outcome for the 2017/18 financial year.

PILLAR 5: MODERNISATION OF THE PUBLIC SERVICE

Innovation, modernisation and technology enable service delivery improvement through an increase in productivity and enhancement of operational efficiencies. In this regard, the GPT continues to develop business intelligence tools as a way of working smarter, driving functional excellence and improving service delivery in GPG.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

The Gauteng province has been operating in a tight fiscal space since 2014, when the fifth administration of government took office. The slow economic growth has resulted in increased demands on provincial fiscus to mitigate poverty and unemployment and promote growth. The GPG introduced many programmes and initiatives to realise the TMR agenda that aims to accelerate and radically transform, modernise and re-industrialise the delivery of services to the Gauteng citizenry.

Some of the key programmes are namely: the Tshepo 1 Million programme that seeks to address the issue of youth unemployment; the Township Economy Revitalisation (TER) strategy that aims to support and develop township-based businesses; the Open Tender Process that intends to address the issue of fraud and corruption and improve transparency in government procurement processes. Lastly, the introduction of various business intelligence tools to improve operational efficiency in GPG departments and entities. The GPT strives to achieve greater social cohesion in Gauteng and it strives to achieve economic transformation.

The GPT has set the following key priorities for the ensuing financial year to realise the goals espoused in the TMR programme.

PILLAR 1: RADICAL ECONOMIC TRANSFORMATION

To create an enabling environment for township-based SMME to do business with GPG

The Township Economy Revitalisation (TER) Strategy focuses on revitalising and mainstreaming the township economy and on developing the SMMEs and co-operatives. This government will achieve this through active industrial incentives and transformative procurement policy that promote the growth of township-based manufacturing and services.

The department will continue with collaborative efforts by strengthening partnerships with the private sector, labour and civil society to provide further developmental opportunities to enhance the capacity and capability of suppliers to benefit from the government's procurement of goods and services. The department will improve the focus on the supplier development initiatives to increase the capacity and capability of these suppliers. It will also make efficient and effective interventions to address any challenges encountered.

To support the development and implementation of the township revitalisation strategy that encourages the increase in township spend

The realisation of the TER Strategy requires all stakeholders (i.e. provincial departments, public entities and local government) to put concerted efforts in supporting township-based businesses. To support the TER Strategy in the province, the GPT will continue with its efforts to increase spending in registered township-based businesses.

Inclusion and sustainability of emerging enterprises are key elements in the acceleration of economic transformation. This is achievable through empowerment, which entails a combination of supplier development as well as access to finance and markets in the mainstream economy. The GPT will continue with the supplier development initiatives and programmes established through partnerships with the private sector to benefit the township suppliers. The GPT will increase the monitoring of compliance with the newly adopted Preferential Procurement Regulations of 2017 (PPR) to ensure compliance with the requirement of sub-contracting 30 per cent to SMMEs all government tenders with a value that exceeds R30 million.

Timely payment of invoices for services rendered is an important element in ensuring the sustainability of SMMEs and cooperatives. The GPT will put measures and processes in place to ensure timeous payment of invoices within 30 days upon receipt of final and correct invoices.

PILLAR 4: TRANSFORMATION OF STATE AND GOVERNANCE

Promoting better planning and budgeting synergy across all spheres of government

Synergy in three spheres of government (i.e. national, provincial and local) promotes better alignment of planning and budgeting, which results in an integrated and credible planning framework. The better alignment enables strategic and optimal funding for provincial priorities from the limited fiscus. The better alignment also helps in accelerating service delivery for the Gauteng citizenry and in realising economies of scale.

The GPT will conduct departmental budget reviews and host various bilateral engagements with departments to promote economic development and to align the plans and budgets of departments to the TMR programme, key policies and strategies adopted for implementation in the Gauteng City Region. These bilateral engagements include the Budget Fora, Medium Term Expenditure Committee, Premier's Budget Committee and the Inter-Governmental Relations structures.

Ensuring balanced budgeting and sustainable funding for legislative mandates and strategic priorities of the province

The department will continue the implementation of the GPG own revenue strategy which contributes towards own revenue optimization generated from provincial sources and measures will be put in place to ensure that own revenue targets are realised. Own revenue augments the equitable share and assists the province to fund key priorities such as education, healthcare and social welfare. The province invests the unutilised funds in a financially prudent manner as per the provisions of legislation and approved policies.

Ensuring that approved financial resources are spent efficiently, effectively and economically across the province

The GPT will manage the budget of non-core budgetary items in line with budget allocations and avoid over-commitments. Additionally, personnel expenditure will be contained at below 60 percent against the total budget.

Measures will be put in place to speed up the delivery of new infrastructure and attention be paid on the maintenance of existing infrastructure across the Gauteng City Region. Similarly, stringent mechanisms will be employed in the monitoring of expenditure on infrastructure allocation and conditional grants allocation. Collaborative efforts will be put in place to upscale performance and institutionalise IDMS in GPG institutions. The budget increases to fund the provision of capacity in the GPT to implement the IDMS so that the province can increase the value for money in the infrastructure programme of the province.

In minimizing liquidity exposure in the province, cash-outflows to departments will be kept within the provincial revenue streams and cash disbursements to departments will be monitored to ensure that fund requests do not exceed the appropriated funds and that prudent cash management practices are being adhered to. The municipal financial hands on support programme will be enhanced to assist delegated municipalities with stabilizing their finances.

Transfers to delegated municipalities will be made as gazetted and measures will be put in place to track and monitor spending thereof.

Supporting all departments, entities and municipalities to achieve unqualified audits

The GPG has continued to obtain improved audit outcomes. The efforts and interventions by the GPT in supporting departments, municipalities, and entities to manage their finances in accordance with laws and regulations will continue to ensure sustainability and improvement of the audit outcomes and in ensuring that GPG institutions maintain sound financial and cash management practices.

Targeted GRAP training will be provided to delegated municipalities, focusing on capacity building of governance structures, technical assistance in addressing audit issues, guidance on pre-audit matters and audit process and support on quality assurance of financial information. GPT will continue to implement procedures to monitor and manage the process for preparing the annual financial statements. The GPT will also review consistently the Interim and Annual Financial Statements prior submission to AG and will address the issues relating to the verification of immovable assets.

The department will continue conducting value-adding audit services that will contribute to the overall improvement of audit outcomes for GPG departments and trading entities. Internal control assessments, which are based on internal audit reports, implementation of the GAS and AG findings, risk management reports and risk profile of the department will be conducted regularly to proactively highlight and address areas of concern and to promote improvements in the internal control environment.

Reducing fraud and corruption and promoting clean government across the province

The GPT is committed to upholding ethical leadership and integrity by intensifying the fight against corruption, collusion and maladministration. The five key pillars of Deterrence; Prevention; Detection; Investigation; Sanctions and Recovery as espoused in the Forensic Services strategy and are at the centre of fighting and eradicating fraud and corruption in GPG. The department will implement efficiencies on management and processing of forensic cases and conduct fraud detection reviews on high-risk, high-value projects. Key focus area will be on improving turnaround times for completion of forensic investigations and increased monitoring to ensure that departments and entities implement the forensic recommendations. The results of the detection reviews will assist in the identification of risk areas and the development of control measures to tighten processes and systems to minimize fraud and corruption.

Full implementation of the Open Tender system in the GPG will assist in restoring public confidence in government procurement system. The introduction of legislation on the open tender system is key in institutionalising open tender processes in the procurement of goods and services in this province. Reduction of historical irregular expenditure will continue to be a key focus area for the department. The department will focus more on mechanisms for prevention of irregular expenditure in the province. Additionally, procurement processes for projects will be finalised and approved timeously to ensure early start to implementation of projects.

Ensuring that statutory obligations are met and that decision makers facilitate appropriate interventions

Compliance with regulatory and legislated reporting requirements is crucial in fulfilment of the GPT's mandate. This is achieved by ensuring timeous submissions of credible reports to various key stakeholders, compliance with Management of Performance Assessment Tool (MPAT) standards, enforcement of cost containment policy compliance in GPG, fulfilment of

the department's statutory and regulatory reporting obligations and payment of invoices to suppliers within the prescribed timeframe of 30 days upon receipt of correct invoices.

In addition to meeting employment equity targets in recruitment, the department will continue with its implementation of various initiatives that aim to realise and promote the rights of women, youth and persons with disabilities. The department will achieve this through various initiatives such as training, awareness sessions and workshops. The department will also achieve this through monitoring the procurement of goods and services benefits women, youth and persons with disabilities.

PILLAR 5: MODERNISATION OF THE PUBLIC SERVICE

Innovation, modernisation and technology enable service delivery improvement through an increase in productivity and operational efficiency. In this regard, the GPT will invest in automating some of its processes. The GPT will continue to automate the processes of preparing the annual financial statements and legislated reports. It will develop and implement the automated inventory management system in identified departments. It will explore and research on the automation of the procurement process for requests for quotations and for proposals. The GPT will also develop business intelligent system to improve data analytics to improve decision-making process, promote an innovative culture of working smarter, driving functional excellence and improving service delivery in GPG.

4. REPRIORITISATION

The department reprioritised the budget baselines to identify savings that will be utilised to fund the spending plan over the MTEF. There is a budget pressure in the media services required for the Provincial Budget Day events. The department reallocated R2.5 million from non-core items in Programme 1: Administration Programme towards the budget for media services in Programme 2: Sustainable Fiscal Resources Management. The department will implement more cost effective ways to render the supporting administrative services.

The department requires funds to support the implementation of the generic structure for provincial treasuries. Within the budget baselines for compensation of employees, the department reprioritised a total of R13.4 million amongst the programmes to fund the generic structure in 2019/20. Programme 2: Sustainable Financial Resource Allocation releases R3.3 million, Programme 4: Provincial Supply Chain Management releases R6.8 million and Programme 6: Gauteng Audit Services releases R3.4 million from their personnel budgets in 2019/20. The programmes whose personnel budgets increase in 2019/20 are Programme 1: Administration (R6.8 million), Programme 3: Financial Governance (R3.8 million) and Programme 5: Municipal Financial Governance (R2.8 million).

5. PROCUREMENT

The delivery of many outputs of the department depend on the departmental staff and therefore the expenditure on such programme does not reflect in the department's annual procurement plan. The department's procurement plan for 2019/20 reflects the procurement of goods and services from external suppliers, which include the projects stated below.

The department continue to procure the probity audit services required for the Open Tender Process. The Open Tender Process addresses the issue of fraud and corruption and it improves transparency in government procurement processes.

External suppliers will also be required when the department implements its projects and programmes such as the price benchmarking and price trends analysis, media services for the province's budget tabling day events, the implementation of the infrastructure delivery management service and the forensic investigation assignments. The suppliers will also play a role in respect of the department's key programmes such as the P-Card software licenses, support to municipalities regarding the implementation of the standard chart of accounts and external training (i.e. annual financial statements, GRAP and the Institute of Internal Auditors training).

To support Annual Financial Statement reporting the GPT will procure a solution to automate the AFS production and continue with the annual AFS training of municipalities.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 14.1: SUMMARY OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	555 189	616 351	654 907	796 413	705 663	698 512	834 950	887 032	951 909
Total receipts	555 189	616 351	654 907	796 413	705 663	698 512	834 950	887 032	951 909

The equitable share of the department increased from R555.1 million allocated in 2015/16 to R654.9 million allocated in 2017/18. The main appropriation amounts to R796.4 million in 2018/19 and it reduced to R705.7 million during the adjustments budget process when the department surrendered to the Provincial Revenue Fund the unutilized budget for vacant posts. The allocation increases from R834.9 million in 2019/20 to R951.9 million in 2021/22. This increase in allocation caters for the departmental plans to implement the approved structure after obtaining the DPSA approval and to implement the projects and programmes planned for the MTEF period.

The department's MTEF budget provides for various key projects and programmes, such as probity audit services required for the Open Tender Process, the price benchmarking and price trends analysis, media services for the province's budget tabling day events, the implementation of the infrastructure delivery management service and the forensic investigation assignments. The budget also provides for the P-Card software licenses, support to municipalities regarding the implementation of the standard chart of accounts and external training (i.e. annual financial statements, GRAP and the Institute of Internal Auditors training).

6.2 Departmental receipts

TABLE 14.2: SUMMARY OF DEPARTMENTAL RECEIPTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	555	833	834	1 111	900	1 041	1 173	1 238	1 306
Transfers received									
Interest, dividends and rent on land	622 676	657 747	619 878	450 000	580 000	819 944	500 000	550 000	580 250
Sales of capital assets	214		95			5			
Transactions in financial assets and liabilities	451	445	633	500	500	468	528	557	588
Total departmental receipts	623 896	659 025	621 440	451 611	581 400	821 458	501 701	551 795	582 144

The sources of departmental receipts are interest earned cash balances, staff parking fees and recovery of debts from previous financial years. The interest revenue accounts for 99.7 percent of the total revenue collected by the department in each financial year.

The interest revenue decreased from R622.6 million in 2015/16 to R619.8 million in 2017/18. The revenue collection decreased by R37.9 million between the 2016/17 and 2017/18 financial years. The interest revenue budget is set conservatively given that an increased spending in the province would reduce the cash balances and result in lower interest revenue earned. For this reason, the revenue budget is set to increase from R500 million in 2019/20 to R550 million in 2020/21 and R580.2 million in 2021/22.

Sales of goods and services other than capital assets include the staff parking fees and the sale of tender documents. Sales of goods and services other than capital assets increase from R555 000 to R834 000 between 2015/16 and 2017/18. The budget for sales of goods and services other than capital assets increases from R1.2 million in 2019/20 to R1.3 million in 2021/22. The availability of tender documents online enables service providers to download documents for free from the tender portal and this reduces the revenue collected from the sale of tender documents.

7. PAYMENT SUMMARY

7.1 Key assumptions

The 2019 Medium Term Expenditure Framework (MTEF) budget is informed by the Gauteng Provincial Treasury's Strategic Plan, Annual Performance Plan, the provincial outcomes and the Gauteng Provincial Government's programme of action (POA). The following key assumptions inform the budget: Provision for annual salary adjustments at an average of: 5.4 per cent in 2019/20; 5.6 per cent in 2020/21 and 5.4 per cent in 2021/22. Provision has also been made for notch progression, performance bonuses, housing allowances, long service award and employer's medical aid contributions.

7.2 Programme summary

TABLE 14.3: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	106 291	121 306	132 861	149 397	145 635	144 250	164 992	174 138	185 884
2. Sustainable Fiscal Resource Management	183 041	171 420	140 558	156 001	148 464	146 815	168 496	178 653	191 294
3. Financial Governance	126 678	125 343	135 622	166 413	163 964	162 127	174 295	185 035	199 152
4. Provincial Supply Chain Management	53 460	84 545	96 648	128 034	110 834	109 588	124 266	132 635	141 994
5. Municipal Financial Governance	29 995	37 075	43 471	78 576	45 712	45 653	72 317	76 885	84 026
6. Gauteng Audit Services	55 724	76 662	76 799	117 992	91 054	90 079	130 584	139 686	149 559
Total payments and estimates	555 189	616 351	625 959	796 413	705 663	698 512	834 950	887 032	951 909

7.3 Summary of economic classification

TABLE 14.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	429 043	507 718	554 342	714 818	623 039	615 444	767 572	815 866	876 895
Compensation of employees	364 346	406 205	452 209	590 162	494 383	487 344	629 631	670 558	723 222
Goods and services	64 697	101 513	102 133	124 656	128 656	128 100	137 941	145 308	153 673
Transfers and subsidies to:	120 659	104 500	67 413	69 559	70 588	71 097	63 014	66 479	70 070
Departmental agencies and accounts	120 000	102 650	55 385	58 544	58 544	58 544	61 940	65 346	68 875
Non-profit institutions			10 000	10 000	10 000	10 000			
Households	659	1 850	2 028	1 015	2 044	2 553	1 074	1 133	1 195
	5 487	4 083	4 196	12 036	12 036	11 949	4 364	4 687	4 944
Machinery and equipment	5 487	4 083	4 168	12 036	12 036	11 949	4 364	4 687	4 944
Software and other intangible assets			28						
Payments for financial assets		50	8			22			
Total economic classification	555 189	616 351	625 959	796 413	705 663	698 512	834 950	887 032	951 909

The department's expenditure increased from R555.1 million in 2015/16 to R625.9 million in 2017/18. Over the 2019 MTEF period the allocation increases further to R834.9 million in 2019/20 peaking at R951.9 million in the 2021/22 outer year.

Expenditure on compensation of employees increased from R364.3 million in 2015/16 to a projected amount of R590.1 million in 2018/19. The budget amounts to R590.1 million in 2018/19. The department surrendered funds for vacant posts during the 2018/19 adjustment budget process. This reduced the total personnel budget to R484.3 million in 2018/19. The budget continues to grow in the 2019 MTEF period, from R629.6 million in 2019/20 to R723.2 million in 2021/22, which corresponds with the departmental plans to implement the new organisational structure when the DPSA approves it. Provision has been made for notch progression and annual performance bonuses as well as improvement in conditions of service adjustment.

On goods and services, the department has made provisions for key projects and initiatives over the 2019 MTEF period, such as the as probity audit services required for the Open Tender Process, the price benchmarking and price trends analysis, media services for the province's budget tabling day events, the implementation of the infrastructure delivery management service and the forensic investigation assignments. The budget also provides for the P-Card software licenses, support to municipalities regarding the implementatin of the standard chart of accounts and external training (i.e. annual financial statements, GRAP and the Institute of Internal Auditors training). This is reflected in the increase from R124.6 million in 2018/19 to R156.8 million in 2021/22, at an annual average of 7 percent. This budget also provides for the operational expenses such as property payments and administrative fees.

Transfer payments to GIFA reduced from R120 million in 2015/16 to R55.4 million in 2017/18. Expenditure in the first two years under review includes additional funds allocated to GIFA to provide capital amount for the Project Preparation Fund. The budget for the GIFA's operations amounts R58.4 million in 2018/19 and it increases R61.9 million to R68.9 million over the MTEF. A transfer payment of R10 million for the supplier development initiatives in the province was made in 2017/18 and a further provision of the same amount is made in 2018/19 to continue the said initiatives. Transfers to household, which increase from R659 000 in 2015/16 to R1.2 million 2021/22 provide for injury on duty claims, leave gratuity payments and external bursaries to disadvantaged students.

Payments for capital assets mainly fund the provision of tools of trade for the department 's officials. The resourcing is based on a structured IT equipment refresh process which is informed by the economic useful life of the various IT assets and warranties, as well the additional funds for the provision of servers. The allocation over the MTEF period is R4.3 million in 2019/20, R4.6 million in 2020/21 and R4.9 million in 2021/22.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

N/A

7.4.2 Departmental Public-Private-Partnership (PPP) projects

The department does not have any PPP projects. The Provincial Treasury's oversight responsibilities for PPPs within the Province are housed under Sub-programme: Infrastructure Management (Element: PPP unit).

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.5.2 Transfers to other entities

TABLE 14.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO OTHER ENTITIES: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Gauteng Infrastructure Funding Agency	70 000	102 650	55 385	58 544	58 544	58 544	61 940	65 347	68 941
Total departmental transfers	70 000	102 650	55 385	58 544	58 544	58 544	61 940	65 347	68 941

The budget for the Gauteng Infrastructure Funding Agency increased from R52.6 million to R102.6 million during the 2016/17 financial year. R50 million was allocated for the operations of the agency and to fund the project preparation facility. By the end of 2018, GIFA had established a pipeline of 30 projects, which are currently at different stages of project development cycle.

Over the MTEF, the allocation for GIFA increases from R61.9 million in 2019/20, to R65.3 million in 2020/21 and R68.9 million in 2021/22. The increase in allocation is aimed at ensuring a sustainable pipeline of strategic infrastructure projects that are catalysts for socio-economic development in the province. In the coming financial years, the GIFA will continue sourcing projects from municipalities and provincial departments and financing their feasibility studies through the PPF.

7.5.3 Transfers to local government

N/A

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The programme aims to provide effective leadership, management and administrative support to the Treasury programmes as well as the Member of the Executive Council (MEC) and the Accounting Officer. This is done to carry out the mission and mandate of the department.

Programme objectives

- To provide for the well-functioning of the Member of Executive Council for Finance to enable her to provide political leadership and ensure alignment to the Ministerial Handbook.
- To render administrative leadership to the department and is further sub-divided in Strategy Management, a function which manages and coordinates strategic planning, corporate performance, monitoring and evaluation of the department and also provides internal risk management services.
- Financial Management Services which houses the Office of the Chief Financial Officer (CFO) aims to ensure sound financial management in GPT, by ensuring, amongst things, budgets which align to the outcomes and priorities of the department and compliance with Supply Chain prescripts.
- Human Resources, Communications, Legal Services and Information, Communications and Technology (ICT) functions reside in this sub-programme and their purpose is to ensure compliance to good governance principles by providing corporates support services to the department.

Key policies, priorities and outputs

Some of the key priorities for the Administration programme in the 2019/20 financial year are as follows:

- Compliance with regulatory and legislated reporting requirements;
- Vacancy rate maintained at accepted levels;
- Efficient Human Resources management services;
- Implementation of the generic structure;
- Compliance with Management of Performance Assessment Tool (MPAT) standards and requirements;
- Timely payment of service providers;
- Maintain department's audit outcome for the financial year under audit; and
- Development of youth in support of Tshepo 1 million.

TABLE 14.6: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
1. Office Of The Mec	5 840	6 310	6 910	8 417	6 876	6 715	7 581	8 030	8 507
2. Office Of The Hod	15 064	17 274	19 133	13 534	19 545	19 370	14 880	15 765	16 701
3. Corporate Management	59 682	73 058	79 466	84 850	79 618	80 620	105 255	111 517	119 579
4. Financial Management Services (Cfo)	25 705	24 664	27 352	42 596	39 596	37 545	37 276	38 826	41 097
Total payments and estimates	106 291	121 306	132 861	149 397	145 635	144 250	164 992	174 138	185 884

TABLE 14.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Current payments	100 590	116 349	127 669	136 346	132 167	130 866	159 554	168 318	179 745
Compensation of employees	68 642	77 152	87 154	98 852	94 673	93 763	118 388	125 491	134 566
Goods and services	31 948	39 197	40 515	37 494	37 494	37 103	41 166	42 827	45 179
Interest and rent on land									
Transfers and subsidies to:	214	830	995	1 015	1 432	1 432	1 074	1 133	1 195

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Provinces and municipalities									
Households	214	830	995	1 015	1 432	1 432	1 074	1 133	1 195
	5 487	4 083	4 196	12 036	12 036	11 949	4 364	4 687	4 944
Machinery and equipment	5 487	4 083	4 168	12 036	12 036	11 949	4 364	4 687	4 944
Software and other intangible assets			28						
Payments for financial assets		44	1			3			
Total economic classification	106 291	121 306	132 861	149 397	145 635	144 250	164 992	174 138	185 884

The expenditure for Administration increased from R106.3 million in 2015/16 to R121.3 million in 2016/17. Expenditure further increased to R132.9 million in the 2017/18 financial year. The main appropriation decreases by R3.8 million from R149.4 million to R145.6 million through the adjustment budget process in 2018/19. Over the MTEF period, the budget continues to increase from R165 million in the 2019/20 financial year to R174.1 million in 2020/21 and R185.9 in 2021/22. The growth in Administration is indicative of the department's increase in size, the full structure makes a provision for 1 068 officials. The programme needed to increase its capacity to support the growth in the number of officials and functions.

Expenditure compensation of employees increases from R68.6 million in 2015/16 to R87.1 million in 2017/18 financial year. The main budget decreases from R98.8 million to R94.6 million during the 2018/19 adjustment budget process. The decrease relates to funds reallocated to transfer payments to provide for the injury on duty claims and leave gratuity payments. The decrease also relates to the funds that were reallocated for debts write-off and reallocated to the Department of e-Government to fund a position that was identified as better aligned to the functions of the ICT services business unit under Department of e-Government.

Over the MTEF period, the budget allocation is as follows; R118.3 in 2019/20; R125.4 in 2020/21 and R134.5 in 2021/22. The increase in compensation of employees is due to increase in capacity to support the growth in the department in terms of personnel and functions. The other causes of the increase include the annual cost of living salary adjustments, notch progressions, and personnel related costs such as performance bonus and service bonus

The main cost drivers under goods and services are utilities, external audit costs, lease payments, communication and property payments. The department also has various project earmarked and catered for under goods and services such as the hosting of network servers externally, IT equipment refreshing programme and the Corporate Performance and Evaluation Information Systems.

Payments for capital assets decreased from R5.5 million in 2015/16 to R4.2 million in 2017/18. The budget increases to R12 million in 2018/19 to replace office equipment including the multifunctional printing machines. Thereafter, the budget for capital expenditure reduces to around R4 million annually over the MTEF to maintain the provision of office equipment.

SERVICE DELIVERY MEASURES**PROGRAMME1: ADMINISTRATION**

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Auditor General's audit outcome for the department	Unqualified audit opinion with no other matters in the audit report	Unqualified audit opinion with no other matters in the audit report	Unqualified audit opinion with no other matters in the audit report	Unqualified audit opinion with no other matters in the audit report
% of external audit recommendations tracked before next audit cycle	100%	100%	100%	100%
% of supplier payments paid within 30 days after receipt of correct invoice	100%	100%	100%	100%
Number of youth developed in support of Tshepo 1 million	140	150	160	170
Number of evaluations conducted	3	3	3	3
Approved Annual Performance Plan submitted to GPL in line with prescribed timelines	2019/20 APP submitted to GPL in line with prescribed timeframes	2020/21 APP submitted to GPL in line with prescribed timeframes	2021/22 APP submitted to GPL in line with prescribed timeframes	2022/23 APP submitted to GPL in line with prescribed timeframes
Approved Annual Report submitted to GPL in line with prescribed timelines	2017/18 Annual Report submitted to GPL	2018/19 Annual Report submitted to GPL	2019/20 Annual Report submitted to GPL	2020/21 Annual Report submitted to GPL

PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT**Programme description**

To ensure the effective and efficient administration of provincial and fiscal resources

Programme objectives

- The Budget Management function is responsible for resourcing the provincial priorities and reporting on provincial expenditure.
- The Economic and Fiscal Policy Oversight sub-programme provides socio-economic research and analysis and further ensures optimal own revenue collection in the province.
- Infrastructure Management intends to enhance and monitor infrastructure performance of Provincial Departments, Entities and Municipalities in order to improve the delivery of infrastructure projects and to stimulate economic growth.
- The Financial Assets and Liabilities Management sub-programme promotes and enforces transparency and effective management of the Provincial Revenue Fund by ensuring prudent cash flow management and the liquidity in the Province are sustained.
- The main function for this sub-programme is to guide the formulation of budget policy and monitors the expenditure of the budget to ensure that the resources are spent effectively and efficiently.

Key policies, priorities and outputs

Some of the key priorities for the Sustainable Fiscal Resource Management programme in the 2019/20 financial year are as follows:

- Own revenue optimization
- Monitor expenditure on infrastructure allocation and conditional grants
- Enhancement of value for money
- Minimize liquidity exposure in the province
- Reduction on non-core line items in line with budget allocations and avoiding over-commitments
- Manage the budget for compensation of employees within GPG as part of cost containment measures

TABLE 14.8: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Programme Support/Office Of The DDC	124 207	106 202	60 241	64 343	64 256	63 993	67 092	70 798	74 645
2. Budget Management	16 496	16 938	24 096	25 542	25 742	25 737	28 968	30 845	32 650
3. Economic And Fiscal Policy Oversight	10 074	11 959	14 349	14 327	13 477	13 426	13 016	13 795	14 619
4. Infrastructure Management	6 359	10 129	12 865	16 362	13 662	12 986	28 009	29 400	32 767

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
5. Financial Asset And Liabilities Management	8 664	9 574	12 960	15 423	12 823	12 662	14 137	14 981	15 876
6. Public Finance	17 241	16 618	16 047	20 004	18 504	18 011	17 274	18 834	20 737
Total payments and estimates	183 041	171 420	140 558	156 001	148 464	146 815	168 496	178 653	191 294

TABLE14.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	62 840	68 655	85 098	97 457	89 770	88 217	106 556	113 307	122 419
Compensation of employees	55 072	59 679	66 955	82 421	71 034	69 110	83 911	89 995	98 330
Goods and services	7 768	8 976	18 143	15 036	18 736	19 107	22 645	23 312	24 089
Interest and rent on land									
Transfers and subsidies to:	120 201	102 765	55 460	58 544	58 694	58 598	61 940	65 346	68 875
Departmental agencies and accounts	120 000	102 650	55 385	58 544	58 544	58 544	61 940	65 346	68 875
Households	201	115	75		150	54			
Buildings and other fixed structures									
Land and sub-soil assets									
Payments for financial assets									
Total economic classification	183 041	171 420	140 558	156 001	148 464	146 815	168 496	178 653	191 294

The expenditure decreases from R183 million in 2015/16 to R140.5 million in the 2017/18, due to decreased allocation on transfer payments. Transfer payments and personnel costs amount to 90 per cent of the programmes expenditure for the current year under review. The surrender of R7.5 million to the Provincial Revenue Fund reduced the main budget from R156 million to R148.5 million during the 2018/19 adjustments budget process. The budget is set to increase from R168.5 million in 2019/20 to R191.3 million in 2021/22 to provide for transfer payments and personnel costs and a portion to goods and services.

The average spending on compensation of employees was R60.5 million during the first three years under review. The main budget of R82.4 million in 2018/19 was informed by the new organisational structure that is awaiting the DPSA approval. The non-implementation of this new organisation during the financial year resulted in funds for new units in the structure (e.g. data management sub-unit and infrastructure support sub-unit) not being used and being surrendered back to the Provincial Revenue Fund during the 2018/19 adjustments. Hence, a decrease in the budget from R82.4 million to R71 million in 2018/19.

The budget over the MTEF increases from R168 million (2019/20) to R178.6 million (2020/21) and R191.3 million (2021/22) to accommodate the requirements of new organisational structure when it is approved; consisting of new units (data management sub-unit and infrastructure support sub-unit).

The programme experienced a R9.1 million expenditure increase in goods and services between the 2016/17 and 2017/18 financial years and a further R3.7 million increase in the 2018/19 period through the reallocation of funds within goods and services to provide for the requirements of Media services towards Budget day and MTBPS day during the adjustment process. For the MTEF period the allocation for goods and services stands at R22.6 million in 2019/20, R23.3 million in 2020/21 and R24 million in 2021/22. The main cost drivers under this programme are the Media services, Implementation of the infrastructure delivery management service, and the printing of provincial publications such as SERO, MTBPS, and EPRE.

The budget for transfers and subsidies to the Gauteng Infrastructure Funding Agency (GIFA) increased by R64.6 between 2015/16 and 2017/18. The 2018/19 main allocation is R58.5 million. Over the MTEF period, the budget for transfer payments is as follows R61.9 million for 2019/20, R65.3 million for 2020/21 and R68.9 million for 2021/22.

SERVICE DELIVERY MEASURES**PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT**

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of engagements conducted with GPG departments on the alignment of budgets to the TMR programme	14 MTEC sessions held and MTEC resolutions prepared	14 MTEC sessions held and MTEC resolutions prepared	14 MTEC sessions held and MTEC resolutions prepared	14 MTEC sessions held and MTEC resolutions prepared
	15 Budget fora held	15 Budget fora held	15 Budget fora held	15 Budget fora held
Number of budgets tabled in line with prescribed timeframes	1 MTEF budget that resources the TMR programme tabled	1 MTEF budget that resources the TMR programme tabled	1 MTEF budget that resources the TMR programme tabled	1 MTEF budget that resources the TMR programme tabled
	1 adjustment budget that resources the TMR programme tabled	1 adjustment budget that resources the TMR programme tabled	1 adjustment budget that resources the TMR programme tabled	1 adjustment budget that resources the TMR programme tabled
% variance between projections and actuals	Actual payments of transfer to not exceed the quarterly projections by 7%	Actual payments of transfer to not exceed the quarterly projections by 7%	Actual payments of transfer to not exceed the quarterly projections by 7%	Actual payments of transfer to not exceed the quarterly projections by 7%
	Actual expenditure on CoE to not exceed the quarterly projections by 7%	Actual expenditure on CoE to not exceed the quarterly projections by 7%	Actual expenditure on CoE to not exceed the quarterly projections by 7%	Actual expenditure on CoE to not exceed the quarterly projections by 7%
Average % increase of provincial own revenue		5.3%	Own revenue collection increase at CPI	Own revenue collection increase at CPI
Number of infrastructure budgets tabled in line with prescribed timeframes	2	2	2	2
% spent on infrastructure budget allocation by the GPT	98%	98%	98%	98%
AG Audit outcome for the Provincial Revenue Fund	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters
% spent on conditional grants allocation	98%	98%	98%	98%

PROGRAMME 3: FINANCIAL GOVERNANCE**Programme description**

To promote accountability through substantive reflection of financial activities as well as compliance with financial norms and standards in PFMA compliant institutions.

Programme objectives

- The Provincial Accounting Services enforces the effective implementation of accounting practices and also prepares accurate consolidated financial statements by focusing on, amongst others, financial accounting matters, asset management, banking and issues related to statutory deductions.
- The main focus for Provincial Forensic Audit is the provision of forensic audit services in the Province.
- The Transversal Internal Audit and Risk Management function provides risk management support services to provincial institutions and have an oversight role on internal audit function.
- The Compliance sub-programme monitors and enforces compliance with the PFMA and other regulatory prescripts by provincial institutions.
- The Financial Information Management Systems function provides oversight on and oversees the management of transversal financial systems in the Province

Key policies, priorities and outputs

Some of the key priorities for the Financial Governance programme in the 2019/20 financial year are as follows:

- Unqualified audits for all departments and public entities;
- Monitor compliance with 15/30 days payments policies by departments;
- Enforcement of cost containment policy in GPG; and
- Implementation of the Forensics Services strategy.

TABLE14.10: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Programme Support/Office Of The Ddg	15 294	3 222	4 091	5 769	3 811	3 810	5 049	5 346	5 657
2. Provincial Accounting Services	43 019	46 766	52 093	59 849	54 849	53 546	58 579	62 088	65 808
3. Provincial Forensic Audits	19 215	23 768	30 729	41 523	51 923	51 505	46 851	49 574	53 501
4. Transversal Internal Audit And Risk Management	14 030	15 233	15 696	18 659	16 459	16 458	20 470	21 685	22 973
5. Norms And Standards	14 240	9 865	3 849	5 213	3 783	3 750	4 987	5 286	5 604
6. Financial Information Management Systems	20 880	26 489	29 164	35 400	33 139	33 058	38 359	41 056	45 609
Total payments and estimates	126 678	125 343	135 622	166 413	163 964	162 127	174 295	185 035	199 152

TABLE 14.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	126 573	125 023	135 308	166 413	163 864	161 775	174 295	185 035	199 152
Compensation of employees	107 726	112 211	113 812	135 839	123 290	122 139	145 231	153 945	165 471
Goods and services	18 847	12 812	21 496	30 574	40 574	39 636	29 064	31 090	33 681
Interest and rent on land									
Transfers and subsidies to:	105	320	314		100	333			
Provinces and municipalities									
Households	105	320	314		100	333			
Machinery and equipment									
Software and other intangible assets									
Payments for financial assets						19			
Total economic classification	126 678	125 343	135 622	166 413	163 964	162 127	174 295	185 035	199 152

Expenditure for this programme increases from R126.6 million in the 2015/16 financial year to R135.6 million in the 2017/18 financial year. The spending pressures resulting from the provincial forensic audit initiative required additional resources to be redirected from other units to this programme during the 2018/19 adjustment process. For the MTEF period the allocation is set at R174.3 million in 2019/20, R185 million in 2020/21 and R199.1 million in the 2021/22 financial years. The increase will fund various system developments and enhancement projects as a commitment to modernising the public service for effective service delivery.

Compensation of employees increased from R107.7 million in 2015/16 to R113.8 million in 2017/18. An amount of R11.2 million under personnel funding was surrendered back to the Provincial Revenue Fund during the adjustment process which decreased the allocation from R135.8 to R123.2 million for the current financial year. The budget increases from R135.8 million in 2018/19 to R165.5 million in 2021/22 to fund the requirements of the new organisational structure currently awaiting approval from the DPSA.

Goods and services expenditure decreased from R18.8 million in 2015/16 to R12.8 million in 2016/17 due to the completion of the Health Intervention project in 2015/16. Expenditure further increased to R21.4 in the 2017/18 financial year due to increase in forensic investigations. The current year budget increased from R30.5 million to 40.5 million through reallocations from other programmes; these funds were to cater for additional forensic investigation assignments which the department continues to undertake in order to improve transparency in public resources usage.

Over the MTEF, the goods and services budget ranges between R29 million and R33 million in 2021/22. The spending focus over MTEF will be on ensuring efficiencies on management and processing of forensic cases and preventative fraud detection reviews, P-Card and E-Invoicing software licenses and automation of Annual Financial Statements production and legislation

reporting for departments and entities. These efforts are in line with the promotion of accountability through substantive reflection of financial activities as well as compliance with financial norms and standards.

SERVICE DELIVERY MEASURES

PROGRAMME 3: FINANCIAL GOVERNANCE

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
% of audit recommendations tracked at public entities before the next audit cycle	100%	100%	100%	100%
% of audit recommendations tracked at the departments before the next audit cycle	100%	100%	100%	100%
Number of reports produced on the monitoring of compliance to 30 days payment in 3 departments (Health, Education and Infrastructure Dev)	4	4	4	4
Number of SCM procurement related fraud detection reviews conducted	4	4	4	4
Number of departments with updated risk profiles	14	14	14	14
Number of municipalities with risk profiles developed	8 municipalities with risk profiles developed	8 municipalities with updated risk profiles	8 municipalities with updated risk profiles	8 municipalities with updated risk profiles
% of departments with unqualified audit outcomes	100%	100%	100%	100%
% of public entities with unqualified audit outcomes	100%	100%	100%	100%

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT**Programme description**

Promote and enforce transparency and effective supply chain management in the province

Programme objective

- The Supply Chain Management Norms and Standards, Governance, Compliance, Monitoring & Evaluation functions oversee the establishment of uniform SCM policy, norms & standards and ensures monitoring and reporting on SCM matters.
- The Client Support function promotes, supports and develops capacity through institutional, organisational, individual and stakeholder development.
- The Transversal Contract Management sub-programme establishes SCM transversal contract management mechanisms in the Province.
- Strategic Procurement establishes SCM strategic procurement mechanisms in support and in alignment to the Township Economic Revitalisation strategy

Key policies, priorities and outputs

Some of the key priorities for the Provincial Supply Chain Management programme in the 2019/20 financial year are as follows:

- Full implementation of the Open Tender Process in GPG institutions
- Increase Government spending in townships
- Monitor compliance to government procurement above R30 million
- Establish partnerships with key stakeholders to provide further developmental opportunities to enhance the capacity and capability of suppliers to benefit from public procurement spend

TABLE14.12: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB-PROGRAMME: PROVINCIAL SUPPLY CHAIN MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Programme Support/Office Of The DDG	6 461	28 222	19 154	36 398	25 778	25 986	32 874	37 215	40 850
2. Scm Policy, Norms And Standards		5 000	15 659	22 142	17 062	15 887	18 943	20 080	21 284
3. Governance, Compliance, Monitoring And Evaluation									
4. Scm Client Support		35 605	26 568	37 126	37 126	39 346	39 239	40 874	43 326
5. Strategic Procurement		10 979	15 453	19 235	19 235	17 394	20 866	21 381	22 664
6. Transversal Contract Management		4 739	19 814	13 133	11 633	10 975	12 344	13 085	13 870
7. Movable Asset Management									
8. Procurement Services	46 999								
Total payments and estimates	53 460	84 545	96 648	128 034	110 834	109 588	124 266	132 635	141 994

TABLE14.13: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	53 399	84 109	86 427	118 034	100 734	99 459	124 266	132 635	141 994
Compensation of employees	49 796	59 913	72 542	90 314	80 414	78 670	96 550	103 393	111 142
Goods and services	3 603	24 196	13 885	27 720	20 320	20 789	27 716	29 242	30 852
Interest and rent on land									
Transfers and subsidies to:	61	430	10 214	10 000	10 100	10 129			
Non-profit institutions			10 000	10 000	10 000	10 000			
Households	61	430	214		100	129			
Land and sub-soil assets									
Software and other intangible assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets		6	7						
Total economic classification	53 460	84 545	96 648	128 034	110 834	109 588	124 266	132 635	141 994

The expenditure of the Provincial Supply Chain Management programme increased from R53.4 million in 2015/16 financial year to R96.6 million in 2017/18. The main budget allocation was R128 million in 2018/19, catering for the implementation of the interventions to improve supply chain management in the province. The surrender of funds for vacant posts in the unapproved new organisation structure reduced the budget from R128 million to R110.8 million during the 2018/19 adjustment budget process. The allocations over the MTEF amount to R124.2 million in 2019/20, R132.6 million in 2020/21 and R142 million in 2021/22. These allocations provide for increasing the capacity in the various sub-units within the programme; for the supplier development to support the TER strategy; and for a further rollout of the open tender system in Gauteng Province.

Expenditure on compensation of employees increased from R49.7 million in 2015/16 to main budget allocation of R90.3 million in 2018/19 in line with the requirements of the new organisational structure, which was yet to be approved by the DPSA. This budget was subsequently reduced to R80.4 million through the surrender of funds for vacant posts during the 2018/19 adjustments. The budget increases from R96.5 million in 2019/20 to R111.1 million in 2021/22 to capacitate the various business units within the programme (namely: SCM Policy, Norms and standards, governance, SCM compliance monitoring and evaluation and SCM Client Support).

Spending on goods and services increased from R3 million in 2015/16 to up to R13.8 million in 2017/18 to fund goods and services required for the open tender system, supplier development and the procurement hub. The main allocation increased to R27.7 in the 2018/19 to fund the increase in the scope of probity audits and to strengthen institutional capacity needed to effectively implement open tender system in departments and entities. The budget decreased by R7.4 million to become R20.3 million during the 2018/19 adjustment budget to fund the provincial budget tabling costs and for training of municipalities on AFS and implementation of MSCOA hands-on-support. Delays in projects earmarked for the open tender process results in unused budget for the probity in goods and services hence there's a reduction of R7.4 million in goods and services allocation

The allocation over the MTEF is as follows: R27.7 million for 2019/20; R29.2 for 2020/21 and R30.9 million for 2021/22. The main focus will be probity audit services required for open tenders in departments and entities, implementation of TER strategy, Price Benchmarking and Price Trends Analysis and other SCM interventions as well as other operational requirements.

The transfers and subsidies allocation of R10 million, which commenced in 2017/18 ends in 2018/19, the allocation was for supplier development to support township economy revitalization.

SERVICE DELIVERY MEASURES

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of departments implementing the open tender process	14 departments	14 departments	14 departments	14 departments
Number of targeted training workshops provided to township-based suppliers	New target	400%	400%	400%
Number of entities implementing the open tender process	7 entities	7 entities	7 entities	7 entities
Number of reports produced to monitor 30% spend directed to Gauteng Township suppliers by GPG departments	New Target	4	4	4

PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

Programme description

To ensure effective and efficient management in Municipalities and Municipal Entities and coordinate the provisioning of capacity building.

The Municipal Financial Governance Programme is divided into various sub-programmes that enables it to attain its set strategic objectives, deliverable and targets. The sub-programmes are as follows:

Programme objective

- The Local Government Financial Services function ensures optimal and sustainable budget management process in delegated local municipalities and further monitors the effective and efficient compliance with financial assets and liabilities management.
- The Municipal Accounting and Asset Management function monitors compliance with financial management and annual reporting framework and further promotes the understanding and implementation of accounting standards (GRAP), as well as the reviewing and reporting on the quality of Annual Financial Statements.
- Municipal Compliance and Financial Management Support co-ordinates, monitors and reports on MFMA implementation and enforces compliance with the MFMA and other regulatory prescripts by local municipalities.

Key policies, priorities and outputs

Some of the key priorities for the Municipal Financial Governance programme in the 2019/20 financial year are as follows:

- Provide support to improve financial and revenue management in delegated municipalities
- Provide support to monitor and assist with the reduction of confirmed provincial government debt
- Monitor spent on provincial transfers to municipalities
- Support the maintenance of unqualified audits for delegated municipalities
- Support local government in ensuring they maintain sound financial governance and strengthen municipal oversight

TABLE 14.14: SUMMARY OF PAYMENTS AND ESTIMATES BY SUB PROGRAMME: MUNICIPAL FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Programme Support/Office Of The DDG	29 995	37 075	43 471	11 682	45 712	45 653	13 504	14 783	17 395
2. Local Government Financial Services				19 971			22 460	23 568	24 982
3. Municipal Accounting And Asset Management				21 330			19 933	21 129	22 397
4. Municipal Compliance And Financial Management Support				25 593			16 420	17 405	19 252
Total payments and estimates	29 995	37 075	43 471	78 576	45 712	45 653	72 317	76 885	84 026

TABLE 14.15: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	29 971	37 034	43 428	78 576	45 662	45 603	72 317	76 885	84 026
Compensation of employees	28 847	29 903	40 307	71 238	42 624	42 588	64 760	68 646	75 334
Goods and services	1 124	7 131	3 121	7 338	3 038	3 015	7 557	8 239	8 692
Interest and rent on land									
Transfers and subsidies to:	24	41	43		50	50			
Provinces and municipalities									
Households	24	41	43		50	50			
Software and other intangible assets									
Payments for financial assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Total economic classification	29 995	37 075	43 471	78 576	45 712	45 653	72 317	76 885	84 026

Municipal Financial Governance spending increased from R29.9 million in 2015/16 to R43.4 million in 2017/18. The programme surrendered funds for vacant posts during the 2018/19 adjustment budget which reduced the budget from R78.5 million to R45.7 million. The 2019/20 budget allocation is R72.3 million and it increases to up to R84 million in 2021/22.

Personnel spending amounted to R28.8 million in 2015/16, R29.9 million in 2016/17 and R40.3 million in 2017/18. In line with the requirements of the unapproved organizational structure, the main budget of R71.2 million was allocated in 2018/19 but subsequently reduced to R42.6 million during the 2018/19 adjustment budget when the funds for vacant posts were surrendered to the Provincial Revenue Fund. The budget increases from R64.7 million in 2019/20 to R75.3 million in 2021/22 to provide for the additional capacity under Municipal Compliance and Financial Management Support and for personnel costs of filled posts.

Expenditure on goods and services amounted to R1.1 million in 2015/16 and it increased to R7.1 million in 2016/17 to provide legal support to Emfuleni Municipality as part of interventions to municipalities that started in 2015/16. The main allocation for 2018/19 is R7.3 million, the allocation is to cater for Compliance dashboard tool/ database management tool, Government Debt Verifications and MSCOA Hands-on-Support. The budget over the MTEF increases from R7.6 million to R8.6 million in 2021/22 to provide for the printing of gazettes, travel expenditure to municipalities, Municipal IQ software licenses as well as external training and development for municipalities. The projects that will be supported by the programme are MSCOA Hands-on Support, Electricity & Water consumption (Government Debt Verifications) and external trainings namely : Annual Financial Statements; GRAP and IIA.

SERVICE DELIVERY MEASURES

PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of budget assessments conducted for delegated municipalities	16	16	16	16
Number of municipal SDBIP assessments conducted for delegated municipalities	8	8	8	8
Number of reports produced on the reduction of confirmed provincial government debt that is over 90 days	New Indicator	4	4	4
% spent on transfers made to municipalities	75%	80%	85%	90%
Number of municipal fiscal responsiveness assessments conducted for delegated municipalities	32	32	32	32
% of audit findings tracked in respect of AFS from the audit action plans of municipalities	100%	100%	100%	100%

PROGRAMME 6: GAUTENG AUDIT SERVICES

Programme description

To enhance transparency, good governance and a clean government through strengthening the internal control and regulatory environment in the province and to render audit services in the GPG.

Programme objective

- The Risk and Compliance Audit Services function manages and ensures performance of risk and compliance audits for the GPG.
- Performance and Computer Audit Services manages and conducts performance and computer audits for GPG departments.

Key policies, priorities and outputs

The key priority for the Gauteng Audit Services programme in the 2019/20 financial year are:

- Conduct value-adding audit services that will contribute to the improvement on audit outcomes for GPG departments and trading entities
- Put in place a three-year Risk Based Audit plans and ensure timeous approval by the Audit Committee.
- Track the implementation of the internal audit recommendations across the province

TABLE 14.16: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Programme Support/Office Of The DDG	3 249	11 237	6 956	9 009	10 233	9 857	20 928	22 401	23 691
2. Risk And Compliance Audit Services(Cluster1,2,3)	13 002	21 398	23 238	38 428	26 948	26 861	41 755	44 785	48 245
3. Risk And Compliance Audit Services(Cluster 4,5,6)	20 635	25 048	25 143	45 513	29 992	29 684	29 475	31 769	34 448
4. Performance And Computer Audit Services	15 156	18 979	21 462	25 042	23 881	23 677	38 426	40 731	43 175
5. Audit Centre Of Excellence	3 682								
6. Financial Audit And Risk Compliance									
Total payments and estimates	55 724	76 662	76 799	117 992	91 054	90 079	130 584	139 686	149 559

TABLE 14.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	55 670	76 548	76 412	117 992	90 842	89 524	130 584	139 686	149 559
Compensation of employees	54 263	67 347	71 439	111 498	82 348	81 074	120 791	129 088	138 379
Goods and services	1 407	9 201	4 973	6 494	8 494	8 450	9 793	10 598	11 180
Interest and rent on land									
Transfers and subsidies to:	54	114	387		212	555			
Provinces and municipalities									
Households	54	114	387		212	555			
Machinery and equipment									
Payments for financial assets									
Total economic classification	55 724	76 662	76 799	117 992	91 054	90 079	130 584	139 686	149 559

Spending under this programme increased from R55.7 million in 2015/16 to R76.7 million in 2017/18. The programmes expenditure is driven by compensation of employees as most of the audit work is personnel driven. Over MTEF, increasing the capacity of the programme is prioritized to enable the programme to deliver on its mandate that contributes towards the achievement of clean audits in the province.

Personnel costs increased from R54 million in 2015/16 to a projected amount of R111 million in 2018/19. Of the total staff establishment of 128 posts, 116 posts were filled and number of vacancies was 31 as of 31 December 2018. The budget increases from R120.7 million in 2019/20 to R138.3 million in 2021/22. Over the MTEF, the programme envisaged to increase its staff complement to 187. The programme is actively recruiting in the audit market and adopting various strategies to attract and retain audit talent. The increase in the personnel budget over the MTEF is due to inflationary and cost of living adjustments as well as other personnel related spending such as performance bonuses.

The budget for goods and services increases from R6.4 million in 2018/19 to R11.1 million in 2021/22. Goods and services under this programme consist mainly of provision for specialised audits which are not resident internally, necessitating the augmentation of this gap by using consultants to assist with the execution of the specialised audits. The increase in the MTEF allocation is due to the implementation requirements of specialised audits (Performance Audits and Risk & Compliance Audits) in order to enhance transparency, good governance and a clean government through strengthening the internal control and regulatory.

SERVICE DELIVERY MEASURES**PROGRAMME 6: GAUTENG AUDIT SERVICES**

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
% implementation of risk based Internal Audit Plans approved by the audit committee	90%	95%	95%	95%
% of internal audit recommendations tracked as implemented by departments and trading entities	90%	100%	100%	100%
% of AG significant findings (findings causing audit qualification) followed-up audits by Internal Audit	100%	100%	100%	100%
Number of Three-Year Risk-Based Internal Audit Rolling Plans Approved	New Indicator	1900%	1900%	1900%
Number of Annual Internal Control Assessments issued	New Indicator 0%	1900% 0%	1900% 0%	1900% 0%

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 14.18: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

R thousands	Actual		Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF							
	2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22					
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% of Total			
Salary level																		
1 – 6	172	28 807	144	23 618	7	80	87	10 943	92	26 113	92	27 901	143	31 272	18%	42%	4%	
7 – 10	394	175 151	510	202 135	505		505	229 503	640	327 251	640	350 778	640	381 046	8%	18%	51%	
11 – 12	126	69 681	162	117 920	146		146	136 876	179	154 678	179	163 313	185	174 878	8%	9%	25%	
13 – 16	104	87 064	92	106 356	75		75	109 275	95	116 895	95	123 326	95	130 109	8%	6%	19%	
Other		3 643	3	2 179	1		1	747	5	4 694	5	5 240	5	5 917	71%	99%	1%	
Total	796	364 346	911	452 209	734	80	814	487 344	1 011	629 631	1 011	670 558	1 068	723 222	9%	14%	100%	
Programme																		
1. Administration	192	68 642	236	87 154	134	80	214	93 763	224	118 388	224	125 491	281	134 566	10%	13%	19%	
2. Sustainable Fiscal Resource Management	86	55 072	91	66 955	88		88	69 110	102	83 911	102	89 995	102	98 330	5%	12%	14%	
3. Financial Governance	233	107 726	253	113 812	214		214	122 139	249	145 231	249	153 945	249	165 471	5%	11%	23%	
4. Provincial Supply Chain Management	136	49 796	144	72 542	133		133	78 670	160	96 550	160	103 393	160	111 142	6%	12%	16%	
5. Municipal Financial Governance	51	28 847	55	40 307	49		49	42 588	89	64 760	89	68 646	89	75 334	22%	21%	10%	
6. Gauteng Audit Services	98	54 263	132	71 439	116		116	81 074	187	120 791	187	129 088	187	138 379	17%	20%	19%	
Direct charges															0%	0%	0%	
Total	796	364 346	911	452 209	734	80	814	487 344	1 011	629 631	1 011	670 558	1 068	723 222	9%	14%	100%	

The department's personnel costs increased from R364 million in 2015/16 to R452 million in 2017/18, the personnel numbers increased from 796 in 2015/16 employees to 911 in 2017/18. Projected personnel numbers increase from 814 in 2018/19 to 1068 in 2021/22. The increase is line with the department's plan to fill vacant posts and implement the new structure. Furthermore the growth costs demonstrate the anticipated increase in inflation and other personnel related costs. The significant growth in personnel costs and numbers is to ensure that the department continues to provide oversight and technical support to GPG departments.

9.2 Training

TABLE 14.19: INFORMATION ON TRAINING: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	796	815	911	814	814	814	1 011	1 011	1 068
Number of personnel trained	450	500	525	555	555	555	586	619	619
of which									
Male	160	180	189	200	200	200	211	223	223
Female	290	320	336	355	355	355	375	396	396
Number of training opportunities	600	710	746	789	789	789	833	879	879
of which									
Tertiary	300	350	368	389	389	389	411	434	434
Workshops	250	300	315	333	333	333	352	371	371
Seminars	50	60	63	67	67	67	70	74	74
Other									
Number of bursaries offered	200	200	210	222	222	222	235	248	248
	40	45	55	55	55	55	55	55	55
Number of learnerships appointed	20	25	28	28	28	28	28	28	28
Number of days spent on training									
Payments on training by programme									
1. Administration	1 711	2 999	1 177	2 036	1 502	1 604	1 760	1 857	1 959
2. Sustainable Fiscal Resource Management	364	370	749	1 128	594	594	785	828	874
3. Financial Governance	1 885	2 234	626	1 716	1 182	1 285	1 424	1 503	1 586
4. Provincial Supply Chain Management	929	1 821	383	1 373	839	839	1 532	1 616	1 705
5. Municipal Financial Governance		188	660	773	241	241	1 955	2 329	2 457
6. Gauteng Audit Services		859	757	1 193	659	659	867	915	965
Total payments on training	4 889	8 471	4 352	8 219	5 017	5 222	8 323	9 048	9 546

The Skills Development Act No.97 of 1998 as amended stipulates that the Department must set aside at least a minimum of 1% personnel budget for Training and Development (T&D) matters in order to capacitate and develop its workforce. The GPT, being a policy department, has been budgeting and spending over 1% yearly given the volumes of its development mandate. These include internally focused and externally focused training programmes. In 2018/19, 316 employees enrolled for under and post graduate qualifications, 110 interns were appointed, 11 External bursary holders were funded, 8 Work integrated learning (WIL) learners and 20 (SAIPA)(define) Trainee Accountant programme.

Over the MTEF, the focus will be to complete the current cycle of 20 SAIPA learners and facilitate a new intake; employ 100 interns and learners, fund 11 external university students, register around 250 professionals with the relevant professional bodies. GPT will continue funding the internal bursary programme and other internal skills development initiatives linked to the Workplace Skills Plan. Given the multiple functions and projects that GPT has, 1% on training and development threshold cannot be sufficient to meet all the training and development commitments.

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 14.20: SPECIFICATION OF RECEIPTS: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	555	833	834	1 111	900	1 041	1 173	1 238	1 306
Sale of goods and services produced by department (excluding capital assets)	555	833	834	1 111	900	1 041	1 173	1 238	1 306
Sales by market establishments	555	833	834	1 111	900	1 041	1 173	1 238	1 306
Transfers received from:									
Public corporations and private enterprises									
Fines, penalties and forfeits									
Interest, dividends and rent on land	622 676	657 747	619 878	450 000	580 000	819 944	500 000	550 000	580 250
Interest	622 676	657 747	619 878	450 000	580 000	819 944	500 000	550 000	580 250
Sales of capital assets	214		95			5			
Other capital assets	214		95			5			
Transactions in financial assets and liabilities	451	445	633	500	500	468	528	557	588
Total departmental receipts	623 896	659 025	621 440	451 611	581 400	821 458	501 701	551 795	582 144

TABLE 14.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	429 043	507 718	554 342	714 818	623 039	615 444	767 572	815 866	876 895
Compensation of employees	364 346	406 205	452 209	590 162	494 383	487 344	629 631	670 558	723 222
Salaries and wages	320 262	357 422	398 580	515 781	432 994	429 533	539 618	576 305	618 258
Social contributions	44 084	48 783	53 629	74 381	61 389	57 811	90 013	94 253	104 964
Goods and services	64 697	101 513	102 133	124 656	128 656	128 100	137 941	145 308	153 673
Administrative fees	84	82	948	630	642	905	666	703	742
Advertising	3 130	5 739	7 589	4 261	7 956	7 913	7 614	8 216	8 511
Minor assets	558	119	1 202	300	300	300	300	317	334
Audit cost: External	3 213	3 444	3 315	3 868	3 868	3 679	4 690	4 235	4 467
Bursaries: Employees	1 761	3 196	4 528	4 692	4 692	4 439	5 348	5 642	5 952
Catering: Departmental activities	410	775	1 011	1 103	1 211	1 183	1 145	1 208	1 275
Communication (G&S)	3 139	3 129	3 023	3 388	3 286	3 311	3 593	3 791	4 000
	5 978	9 206	13 672	11 372	10 130	8 791	9 754	10 393	10 963
Consultants and professional services: Business and advisory services	21 045	35 084	38 023	61 973	65 641	67 445	69 934	73 613	78 196
Legal services	555	6 255	4 247	1 479	2 439	2 373	1 536	1 620	1 709
Contractors	1 008	517	489	503	459	610	582	614	647
Fleet services (including	751	384	583	590	742	742	624	659	695

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
government motor transport)									
Consumable supplies	508	249	650	279	578	572	270	284	300
Consumable: Stationery, printing and office supplies	3 417	4 605	2 277	2 779	2 783	2 412	2 949	3 111	3 282
Operating leases	3 588	5 538	4 956	5 115	6 479	6 869	5 429	5 728	6 043
Property payments	6 191	5 923	5 577	6 608	5 114	4 723	7 295	8 024	8 465
Travel and subsistence	1 725	2 102	2 190	2 409	2 966	2 799	2 574	2 716	2 865
Training and development	5 308	8 921	4 352	8 219	5 017	5 222	8 323	9 048	9 546
Operating payments	1 626	2 224	2 284	2 928	2 663	2 172	2 852	3 008	3 172
Venues and facilities	702	4 021	1 217	2 160	1 516	1 517	2 279	2 184	2 304
Transfers and subsidies	120 659	104 500	67 413	69 559	70 588	71 097	63 014	66 479	70 070
Departmental agencies and accounts	120 000	102 650	55 385	58 544	58 544	58 544	61 940	65 346	68 875
Provide list of entities receiving transfers	120 000	102 650	55 385	58 544	58 544	58 544	61 940	65 346	68 875
Non-profit institutions			10 000	10 000	10 000	10 000			
Households	659	1 850	2 028	1 015	2 044	2 553	1 074	1 133	1 195
Social benefits	613	1 109	1 026		712	958			
Other transfers to households	46	741	1 002	1 015	1 332	1 595	1 074	1 133	1 195
Payments for capital assets	5 487	4 083	4 196	12 036	12 036	11 949	4 364	4 687	4 944
Machinery and equipment	5 487	4 083	4 168	12 036	12 036	11 949	4 364	4 687	4 944
Other machinery and equipment	5 487	4 083	4 168	12 036	12 036	11 630	4 364	4 687	4 944
Software and other intangible assets			28						
Payments for financial assets		50	8			22			
Total economic classification	555 189	616 351	625 959	796 413	705 663	698 512	834 950	887 032	951 909

TABLE 14.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	100 590	116 349	127 669	136 346	132 167	130 866	159 554	168 318	179 745
Compensation of employees	68 642	77 152	87 154	98 852	94 673	93 763	118 388	125 491	134 566
Salaries and wages	60 350	68 094	77 133	86 341	83 700	83 059	100 430	105 891	112 503
Social contributions	8 292	9 058	10 021	12 511	10 973	10 704	17 958	19 600	22 063
Goods and services	31 948	39 197	40 515	37 494	37 494	37 103	41 166	42 827	45 179
Administrative fees	73	64	254	105	117	104	112	119	126
Advertising	1 347	3 543	225	422	417	374	445	470	496
Minor assets	558	119	1 202	300	300	300	300	317	334
Audit cost: External	2 209	2 624	2 462	2 500	2 500	2 319	3 231	2 696	2 844
Bursaries: Employees	1 761	3 196	4 528	4 692	4 692	4 439	5 348	5 642	5 952
Catering: Departmental activities	218	296	355	292	390	368	307	324	342

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Communication (G&S)	3 139	3 129	3 023	3 388	3 286	3 311	3 593	3 791	4 000
	3 854	4 611	7 488	4 157	4 151	4 093	4 371	4 611	4 864
Consultants and professional services:									
Business and advisory services	393	1 216	441	665	347	309	997	1 053	1 111
Legal services	555	1 469	3 047	1 479	2 439	2 373	1 536	1 620	1 709
Contractors	940	491	455	503	459	536	582	614	647
Fleet services (including government motor transport)	751	384	583	590	742	742	624	659	695
Consumable supplies	488	248	642	279	578	570	270	284	300
Consumable: Stationery, printing and office supplies	2 304	1 258	1 481	1 405	1 405	1 189	1 487	1 569	1 655
Operating leases	3 588	5 538	4 956	5 115	6 479	6 869	5 429	5 728	6 043
Property payments	6 191	5 923	5 577	6 608	5 114	4 723	7 295	8 024	8 465
Travel and subsistence	840	661	1 106	819	1 198	1 212	866	914	964
Training and development	1 418	2 501	1 177	1 663	1 170	1 681	1 760	1 857	1 959
Operating payments	779	884	913	1 189	984	744	1 225	1 291	1 361
Venues and facilities	542	1 042	600	1 323	726	847	1 388	1 244	1 312
Transfers and subsidies	214	830	995	1 015	1 432	1 432	1 074	1 133	1 195
Households	214	830	995	1 015	1 432	1 432	1 074	1 133	1 195
Social benefits	168	89	71		100	100			
Other transfers to households	46	741	924	1 015	1 332	1 332	1 074	1 133	1 195
Payments for capital assets	5 487	4 083	4 196	12 036	12 036	11 949	4 364	4 687	4 944
Machinery and equipment	5 487	4 083	4 168	12 036	12 036	11 949	4 364	4 687	4 944
Other machinery and equipment	5 487	4 083	4 168	12 036	12 036	11 630	4 364	4 687	4 944
Software and other intangible assets			28						
Payments for financial assets		44	1			3			
Total economic classification	106 291	121 306	132 861	149 397	145 635	144 250	164 992	174 138	185 884

TABLE 14.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: SUSTAINABLE FISCAL RESOURCES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	62 840	68 655	85 098	97 457	89 770	88 217	106 556	113 307	122 419
Compensation of employees	55 072	59 679	66 955	82 421	71 034	69 110	83 911	89 995	98 330
Salaries and wages	49 069	53 223	59 659	72 458	62 708	61 641	70 764	76 812	84 423
Social contributions	6 003	6 456	7 296	9 963	8 326	7 469	13 147	13 183	13 907
Goods and services	7 768	8 976	18 143	15 036	18 736	19 107	22 645	23 312	24 089
Administrative fees	2	5	450	507	507	792	536	565	596
Advertising	1 500	397	7 225	3 540	7 240	7 237	6 853	7 413	7 664
Audit cost: External	485	442	450	731	731	730	779	822	867

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Catering: Departmental activities	53	54	178	396	396	380	410	433	457
	345	76	28	500	450	21	107	114	120
Consultants and professional services: Business and advisory services	2 818	4 675	7 328	6 122	5 993	7 071	10 563	10 382	10 603
Legal services									
Contractors	68	26	34						
Consumable supplies	20								
Consumable: Stationery, printing and office supplies	693	1 935	303	532	532	532	545	575	607
Travel and subsistence	93	201	270	463	468	403	501	528	558
Training and development	936	184	749	753	753	685	785	828	874
Operating payments	755	910	845	1 257	1 257	1 073	1 122	1 184	1 249
Venues and facilities		71	283	235	235	60	260	274	289
Transfers and subsidies	120 201	102 765	55 460	58 544	58 694	58 598	61 940	65 346	68 875
Departmental agencies and accounts	120 000	102 650	55 385	58 544	58 544	58 544	61 940	65 346	68 875
Provide list of entities receiving transfers	120 000	102 650	55 385	58 544	58 544	58 544	61 940	65 346	68 875
Households	201	115	75		150	54			
Social benefits	201	115	75		150	54			
Payments for capital assets									
Payments for financial assets									
Total economic classification	183 041	171 420	140 558	156 001	148 464	146 815	168 496	178 653	191 294

TABLE 14.24: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	126 573	125 023	135 308	166 413	163 864	161 775	174 295	185 035	199 152
Compensation of employees	107 726	112 211	113 812	135 839	123 290	122 139	145 231	153 945	165 471
Salaries and wages	94 234	97 800	99 176	117 593	106 401	105 743	124 432	132 112	141 698
Social contributions	13 492	14 411	14 636	18 246	16 889	16 396	20 799	21 833	23 773
Goods and services	18 847	12 812	21 496	30 574	40 574	39 636	29 064	31 090	33 681
Administrative fees	5	7	3	13	13	4	13	14	15
Advertising									
Minor assets									
Audit cost: External	519	378	403	637	637	630	680	717	756
Catering: Departmental activities	49	121	154	113	113	113	120	127	134
	863	2 818	4 977	4 018	4 018	4 017	4 336	4 574	4 825
Consultants and professional services: Business and advisory services	16 112	7 527	15 016	23 854	35 069	34 217	21 853	23 480	25 654

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Consumable supplies			7			2			
Consumable: Stationery, printing and office supplies	7	1				10			
Travel and subsistence	234	298	162	381	381	276	418	442	465
Training and development	1 001	1 578	626	1 343	293	264	1 424	1 503	1 586
Operating payments	35	84	97	115	50	29	120	127	134
Venues and facilities	22		51	100			100	106	112
Transfers and subsidies	105	320	314		100	333			
Households	105	320	314		100	333			
Social benefits	105	320	314		100	333			
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment									
Payments for financial assets						19			
Total economic classification	126 678	125 343	135 622	166 413	163 964	162 127	174 295	185 035	199 152

TABLE 14.25: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROVINCIAL SUPPLY CHAIN MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	53 399	76 548	76 412	117 992	100 734	99 459	124 266	132 635	141 994
Compensation of employees	49 796	67 347	71 439	111 498	80 414	78 670	96 550	103 393	111 142
Salaries and wages	42 667	59 626	63 308	98 635	68 693	68 398	82 969	86 053	91 431
Social contributions	7 129	7 721	8 131	12 863	11 721	10 272	13 581	17 340	19 711
Goods and services	3 603	9 201	4 973	6 494	20 320	20 789	27 716	29 242	30 852
Administrative fees			3						
Advertising	283				299	302	316	333	351
Catering: Departmental activities	24	2	2		112	117	118	124	131
Consultants and professional services: Business and advisory services	1 722	6 127	2 364	2 502	18 130	18 646	25 400	26 800	28 275
Contractors									
Consumable: Stationery, printing and office supplies	23	495			4	4			
Travel and subsistence	7	311	146	114	89	76	98	103	109
Training and development	1 406	463	757	820	1 448	1 203	1 532	1 616	1 705
Operating payments		306	384	317					
Venues and facilities	138	230	138	264	238	441	252	266	281
Transfers and subsidies	61	114	387		10 100	10 129			
Non-profit institutions					10 000	10 000			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Households	61	114	387		100	129			
Social benefits	61	114	309		100	129			
Payments for capital assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	53 460	76 662	76 799	117 992	110 834	109 588	124 266	132 635	141 994

TABLE 14.26: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: MUNICIPAL FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	29 971	37 034	43 428	78 576	45 662	45 603	72 317	76 885	84 026
Compensation of employees	28 847	29 903	40 307	71 238	42 624	42 588	64 760	68 646	75 334
Salaries and wages	26 016	26 914	36 439	65 261	39 654	38 929	55 709	58 621	63 762
Social contributions	2 831	2 989	3 868	5 977	2 970	3 659	9 051	10 025	11 572
Goods and services	1 124	7 131	3 121	7 338	3 038	3 015	7 557	8 239	8 692
Administrative fees	2	4	224	5	5	5	5	5	5
Catering: Departmental activities	66	193	201	190	190	190	190	200	211
	204	434		220	220	220	240	253	267
Consultants and professional services: Business and advisory services				3 300	600	600	3 630	3 831	4 042
Legal services		4 786	966						
Consumable supplies		1	1						
Consumable: Stationery, printing and office supplies	390	902	493	842	842	677	917	967	1 020
Travel and subsistence	405	522	431	539	540	554	570	601	634
Training and development		187	660	2 192	533	650	1 955	2 329	2 457
Operating payments	57	27		50	55	55	50	53	56
Venues and facilities		75	145		53	64			
Transfers and subsidies	24	41	43		50	50			
Households	24	41	43		50	50			
Social benefits	24	41	43		50	50			
Payments for capital assets									
Payments for financial assets									
Total economic classification	29 995	37 075	43 471	78 576	45 712	45 653	72 317	76 885	84 026

TABLE 14.27: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	55 670	76 548	76 412	117 992	90 842	89 524	130 584	139 686	149 559

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Compensation of employees	54 263	67 347	71 439	111 498	82 348	81 074	120 791	129 088	138 379
Salaries and wages	47 926	59 626	63 308	98 635	71 838	71 763	105 314	116 816	124 441
Social contributions	6 337	7 721	8 131	12 863	10 510	9 311	15 477	12 272	13 938
Goods and services	1 407	9 201	4 973	6 494	8 494	8 450	9 793	10 598	11 180
Administrative fees	2		3						
Advertising									
Catering: Departmental activities		2	2		10	15			
	712	1 267	1 179	2 477	1 291	440	700	841	887
Consultants and professional services: Business and advisory services		6 127	2 364	2 502	5 502	6 602	7 491	8 067	8 511
Consumable: Stationery, printing and office supplies		495							
Travel and subsistence	146	311	146	114	290	278	121	128	135
Training and development	547	463	757	820	820	739	867	915	965
Operating payments		306	384	317	317	271	335	353	372
Venues and facilities		230	138	264	264	105	279	294	310
Transfers and subsidies	54	114	387		212	555			
Households	54	114	387		212	555			
Social benefits	54	114	309		212	292			
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment									
Payments for financial assets									
Total economic classification	55 724	76 662	76 799	117 992	91 054	90 079	130 584	139 686	149 559

VOTE 15

DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

To be appropriated by vote in 2019/20	R 3 465 840 000
Responsible MEC	MEC for Infrastructure Development
Administering Department	Department of Infrastructure Development
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To be a leading sustainable infrastructure provider and facilitator that positions Gauteng as a globally competitive city region with inclusive economic growth and decent work for all.

Mission

To contribute towards the radical transformation, modernisation and re-industrialisation of Gauteng by accelerating integrated service delivery, maintenance and management of public infrastructure and deploying build environment professionals while encouraging the active participation of an empowered citizenry.

Strategic Goals

- Optimise state assets for economic development and supporting entrepreneurs;
- Empowering communities through job creation in partnership with the public and private sector;
- Accelerate service delivery;
- Integrated planning;
- Sustainable infrastructure; and
- Organisational development for building state capacity.

Core functions and responsibilities

- Implementation of social Infrastructure;
- Skills development;
- Community participation;
- Capital project management;
- Maintenance services; and
- Provincial property management.

Main services

Our mandate is to develop and maintain socio-economic infrastructure that enables all the province's people to have access to social services by:

- Utilising the construction sector as a catalyst for the development of sustainable communities;
- Ensuring participation and involvement of communities through the implementation of the Expanded Public Works Programme (EPWP) within Gauteng Provincial Government (GPG) capital expenditure (CAPEX) projects and other departmental projects;
- Ensuring the implementation of all infrastructure programmes and projects reflected in the short, medium and long-term plans of the GPG;
- Managing the construction of GPG CAPEX projects such as schools, hospitals, clinics and recreation centres;
- Managing the provision of maintenance services for all GPG infrastructure; and
- Managing the provincial property portfolio.

Ten Pillar programmes of Transformation, Modernisation and Reindustrialisation

The departments plan and initiatives are aligned to the outcomes planned for the Gauteng-City Region in terms of the Ten Pillar Programme of Transformation, Modernisation and Re-industrialisation. The outcomes and initiatives planned under each pillar are provided below.

Pillar 1: Radical economic transformation

Over the next five years, the Gauteng Provincial Government (GPG) is determined to revitalise and mainstream the township economy by supporting the development of township enterprises, co-operatives and SMMEs, that will produce goods and services that meet the needs of Gauteng township residents. As part of this, the focus will be on the reindustrialisation of the Gauteng economy through strategic infrastructure development. In terms of this outcome, the department has managed to ensure that 80.6 per cent of its procurement is spent on black-owned companies, while 11.6 per cent is spent on black-female-owned companies. Procurement spend on youth-owned companies is over 20 per cent with a performance of 41.5 per cent, while the amount spent on People-with-Disabilities owned companies stands at over 1 per cent, with a quarterly performance of 1.2 per cent.

The provincial government identified key sectors that have the potential to address the policy imperatives of creating decent employment and greater economic inclusion. These sectors include finance, the automotive industry, manufacturing, ICT, tourism, pharmaceuticals, creative industries, construction and real estate. The promotion of new SMMEs and township enterprises will also be brought into these key sectors of the economy. The department attained a 71.2 per cent procurement allocation to SMMEs in the third quarter owing to their high response rate. The total percentage procurement in terms of the Township Enterprise Revitalisation was at 14 per cent during the third quarter.

The department coordinated the creation of 2 658 job opportunities for the Zivuseni Reloaded Programme, and 2 568 for the National youth service (NYS) Skills Development Programme. To empower emerging contractors for economic growth, the department supported 20 SMMEs contractors with accredited skills and training support during the third quarter.

Pillar 3: Accelerated social transformation

Economic and spatial transformation must be underpinned and supported by, an accelerated programme of social transformation, at the centre of which is raising the living standards and quality of life of all the people of Gauteng. At the centre of Gauteng's social transformation is our determination to improve the quality of education and healthcare; provide social protection to the vulnerable; in particular, women and children; eradicate poverty; and build social cohesion solidarity.

Over the MTEF, the department will contribute to supporting this pillar by ensuring the swift delivery of social infrastructure projects. The intention being to reduce poverty, inequality and unemployment through the provision of infrastructure projects on behalf of client departments. This will be achieved by ensuring that 90 per cent of projects being implemented on behalf of the client departments, are implemented on time and within budget. In addition, the department will begin focusing on the quality of the projects managed, by ensuring that 95 per cent of projects are delivered with zero-defects. A key focus over the MTEF will also be the roll-out of the National Health Insurance (NHI) based clinics in selected regions in the province; as well as the improvement of the conditions of hospitals within the province to a level of above average functionality.

Pillar 4: Transformation of the state and governance

The second phase of transition to a national democratic society needs public representatives, public servants, and leaders from other sectors who will remain true to the values of loyal service to the people.

The department of Infrastructure Development is the custodian of a significant portion of immovable assets vested in the provincial government. The appointed Service Provider has completed the process of verifying and updating the immovable asset register (IAR). The department has already verified 2 237 assets on the IAR in accordance with the mandatory requirements of National Treasury in the current financial year. Based on this and the newly approved Property Optimisation Strategy, the department is moving towards a new approach to deliver and manage high impact infrastructure in the Province.

The implementation of the National Treasury prescribed Infrastructure Delivery Management System (IDMS) Model continues to be a catalyst - driving the introduction of a new strategy, organisational structure, systems and processes - that support the delivery and management of infrastructure within the department. The IDMS is a strategic framework, detailing the preferred method of implementing infrastructure projects in the province. In terms of the IDMS framework there are several processes and decision-gates through which approvals are obtained for the implementation of infrastructure and maintenance projects. The department has mapped all these key processes and trained relevant staff on the use of these processes.

Pillar 5: Modernisation of public service

Government cannot talk about radical socio-economic transformation without fundamentally changing the way state institutions relate to society. Part of the radical shift in government, involves how it deals with, and eradicates corruption among public officials and public servants, including the private sector. Gauteng government will introduce measures to

strengthen the integrity of public institutions and public processes, so that fraud and corruption are prevented and detected early in the value chain to prevent losses.

In modernising the delivery of infrastructure, the department is fully operationalising the IDMS. This has taken place through aligning the department’s organisational structure to the system, thereby putting it in an optimal position to implement and maintain infrastructure efficiently and effectively. Processes have been mapped that guide the implementation and maintenance of the department’s infrastructure. To support the roll-out of the processes, the department employed information and communication technology systems, including the Oracle Primavera P6 system to manage the CAPEX projects of the department. This is a best-in-class system, interlinked to other support systems such as the Oracle Unifier System and Oracle Business Intelligence (BI) System within the department.

The Unifier System enables the department to track and manage payment processes, while the Oracle (BI) system enables the monitoring and analysis of all projects through various high-level dashboards. Systems introduced to manage the immovable assets of the department include the “Archibus System” which has enabled digitisation of the Immovable Asset Register (IAR). These systems are housed at Lutsinga Infrastructure House - (established and launched by the DID) to provide an integrated view of project performance, that will enable better coordination and management of the portfolio of projects and properties on behalf of our client departments in the GCR. The Lutsinga Infrastructure House will do so by integrating the outputs of the internal systems, capabilities, and a dedicated operational team under one roof. These inputs can then be used to monitor; analyse; and manage key construction; perform maintenance; manage the Expanded Public Works Programme and property portfolio management project; as well as pull portfolio-management-related progress reports.

Pillar 6: Modernisation of the economy

The provincial government identified key sectors that have the potential to address the policy imperatives of creating decent employment and greater economic inclusion. These sectors include finance; automotive industry; manufacturing; ICT; tourism; pharmaceuticals; creative industries; construction; and real estate.

The department identified its key initiatives to deliver on the stated objectives of the Green Agenda in the Province. In terms of this, various public private partnership (PPP) projects are in the pipeline - for the purpose of converting coal boilers to gas boilers; supplying gas to the boilers; installing trigen/cogen plants at health facilities; and installing solar rooftop panels.

National Development Plan

The Transformation, Modernisation and Re-industrialisation Programme of the GPG is aligned to the National Development Plan (NDP). As a result, all the above sections directly align to the NDP.

External activities and events relevant to budget decisions

An Inter-Departmental Infrastructure Coordination process has been undertaken in an effort to establish the portfolio to coordinate infrastructure projects within the Province. It should be noted that this portfolio requires strong support and coordination from all relevant stakeholders. The DID will be the lead department in relation to the functionality of the unit. The establishment of this unit will have an implication for the budget from a human resources perspective, as well as the systems that will be utilised.

Acts, rules and regulations

- Government Immovable Assets Management Act, 2007;
- Rental Housing Amendment Act, 2007;
- Space Planning Norms and Standards Notice, No. 1665 of 2005;
- Local Government: Municipal Property Rates Act, 2004;
- Broad Based Black Economic Empowerment Act, 2003;
- Gauteng Planning and Development Act, 2003;
- Planning Professions Act, 2002;
- Project and Construction Management Act, 2000;
- Property Valuers’ Profession Act, 2000;
- Preferential Procurement Policy Act, 2000;
- Framework for Supply Chain Management, 1999;
- Rental Housing Act, 1999;
- Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998;
- Constitution of the Republic of South Africa, 1996;
- Gauteng Land Administration Act, 1996;
- Occupational Health and Safety Act, 1993 (and particularly the associated construction regulations);
- Rating of State Property Act, 1984;
- Deeds Registries Act, 1937;
- Expanded Public Works Programme Guidelines for implementation of labour intensive construction.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

Pillar 1: Radical economic transformation

In terms of the plans for 2018/9 financial year, the EPWP programme has targeted 51 605 work opportunities for Provincial Departments and 87 323 work opportunities for Municipalities. In response to targets set, the programme has created a total of 53 681 work opportunities through both departments and Municipalities which translate to a 39 percent achievement against the annual target. The demographic group is spread as follows: 29 364 for women, 28 625 for youth, and 327 for people with disabilities.

The lack of capacity in data collection is affecting the reporting of performance. Another challenge is that of municipalities that fail to report work opportunities created from Municipality Infrastructure Grant (MIG) projects. Beside provincial coordination, (under the banner of EPWP) the department is implementing National Youth Services (NYS) and Zivuseni Reloaded. The target set for beneficiaries of NYS is 2 500 and 4 500 for Zivuseni Reloaded. In terms of recruiting, NYS recruits' youth between the ages of 18 to 35. With regards to progress towards the set targets, the Zivuseni programme has achieved 4 106 and the NYS Skills Development programme achieved 2 230.

Pillar 3: Accelerated social transformation

The department plans to implement varied education infrastructure programmes consisting of new smart schools; replacement schools; restorative repair to Grade R classrooms; Smart Schools Conversion and Special schools (schools for autism, LSENS). Under these programmes, the department has projects at various stages (planning and design, tender, construction and final accounts). The roll-out of the above programmes increases access to education through the deployment of ICT technology; improved and learning environment; much safer learning spaces; and enhanced social cohesion amongst learners.

The department put measures in place to implement various Education Infrastructure projects, which range from the construction of new schools; restorative repairs; restorative repair of Grade R classrooms; fencing projects and others. Through the Project Readiness Matrix, projects have been categorised as platinum, gold and silver. The platinum projects are those that are planned to be completed during the current financial year. In relation to Education Infrastructure, the department has completed 15 projects out of the 14 planned during the period under review. The completed projects include renovation and rehabilitation of the following schools: Dikgabane Primary School; Kondelelani Primary School; Laërskool Werda; Soshanguve South Secondary School; Prinshof LSEN School; Inxiweni Primary School; Hlompanang Secondary schools; Kagiso Secondary School; Lakeside Primary School; Matshediso Primary School; Evaton Primary School; Sekampaneng Primary School; The conversion of the Dr Harry Gwala Secondary School to SMART Classrooms; and the Rehabilitations of Palisade Fencing at Venterspost Primary School.

Amongst the projects completed to date is the construction of new Menzi Primary School in Tsakane. As a primary school it caters for approximately 1 200 learners, starting from Grade R to Grade seven, and is situated in Langaville Ext 4. Learners at Menzi Primary School have been using mobile classrooms and other temporary structures as classrooms since the 1990s. During March 2018, the department commenced with the construction of the new school using brick and mortar.

The new school and its facilities consists of: 33 smart classrooms; an admin block; two smart science laboratories; two smart multi-purpose rooms; two computer laboratories; IT control rooms; a library; nutrition centre and dining hall; 1 088 capacity school hall; Cochrane fence; guard house; covered walkways; sports facilities; soccer and rugby fields; combo courts (to accommodate netball, basketball and tennis courts); ablution facilities and covered refuse yard; as well as a plant room.

Some of the projects were not completed due to various reason such as poor performance of contractors and time-extensions.

Projects currently in various phases of completion have been implemented on behalf of Social Development department during the period under review. One such is the Kwasokhulumu Early childhood development (ECD), which has been completed and handed-over to the client. Another project completed and handed-over was the Desmond Tutu Child and Youth Care Centre (CYCC). The construction of the new offices and accommodation at Rearabilwe Garankuwa Child Youth Care Centre resumed in November 2018 after the contractor abandoned the site for two months, due to non-payment of invoices by the Client Department. The project is anticipated to be completed in the fourth quarter of the 2018/19 financial year. Lastly, the Walter Sisulu CYCC which is still in the design stage. The project entails the demolition of the administration block and construction of the new administration block.

The department is also implementing Sebokeng DLTC which is still under construction and at 90 per cent completion. Due to slow progress by the contractor, the project completion date was revised to the fourth quarter of 2018/19 FY. The

Suikerbosrand Nature Reserve Southern Waterline project was completed during the period under review despite the challenges experienced.

The Operation Mabaleng project was handed over to the contractor on 12 February 2018 and construction work is currently at 86 per cent. It is anticipated that this project will be completed during the fourth quarter of 2018/19 FY. The construction work for Akasia Community library is at 15 per cent. There were delays in construction, due to community unrest sparked by rates disputes between the main contractor and sub-contractors. Work was stopped for five months; however, the conflict was later resolved, and the contractor is back on site and work is continuing. Construction work at the Atteridgeville Community library is currently at 85 per cent. Community disruption and delayed payments have caused progress of this project to proceed slowly. It is anticipated that the project will be completed in the next quarter.

As for Kokosi Community library, progress at the construction site is recorded at 62 per cent. The project was anticipated to be completed on 13 November 2018 but, due to community protests and insufficient allocation of funds, the project was delayed. Boipatong Community Library progress is at 60 per cent completion and is anticipated to be completed in March 2019. The construction progress reported at Rust Ter Vaal Community Library is at 48 per cent and it is anticipated to be completed in March 2019. Impumelelo Community Library progress is currently listed as 30 per cent. The additional funding required for the project and community disruptions have caused slow progress. Lastly the construction of Randfontein Community Library is currently at 96 per cent progress. However, non-release of funds by the client could potentially significantly delay the project.

Among the projects implemented on behalf of Health, a total of six projects are part of the National Health Insurance (NHI) pilot phase programme. The design of the small clinic prototype was approved and is currently being implemented in three pilot projects under construction, namely: New Kekana Gardens clinic, Kekanastad clinic and Dewaggensdrift clinic (all are NHI projects). The department is currently implementing 12 small clinics, some of which are NHI clinics in different project implementation phases. During the period under review, the Kekana Gardens clinic was completed.

The other flagship project that the department is pursuing in the Kopanong Precinct, is an office accommodation project that encapsulates the refurbishment of 19 buildings owned by the Gauteng Provincial Government. The buildings are in the Johannesburg Central Business District (CBD). The intention is to refurbish buildings to accommodate the head office functions of the GPG. The Project will be procured via a Public Private Partnership (PPP), in strict compliance with National Treasury Regulation 16. The preferred bidder will be required to finalise the detailed designs of the 11 Health Facilities and will require a Generation License application for those facilities with an ERF capacity above more than 1MW. DID and Gauteng Infrastructure Funding Agency (GIFA) are awaiting clarification response for ministerial determination from the Department of Energy. The evaluation of structural engineer tender is underway and the Treasury Approval (TAIII) documents will be submitted to National Treasury once the above issues are completed and the Ministerial determination is approved.

The Women's Living Heritage Monument project has been completed and handed-over to the client department. The project consisted of two phases:

Phase 1: The phase entailed preparation of sub-structure and bulk-services in the basements below ground level. The structural grid of existing reinforced concrete columns and beams in the parking basements was modified with additional structural pile foundations to support the new top structure of the exhibition centre on the ground level.

Phase 2: This phase entailed the construction of the three-storeys with new exhibition centre and square with the amphitheatre and sculptures. Moreover, it also included a new facility to host historical elements, audio-visual content of South African women representation. Other features are the installation of moisture control and fire-protection systems to preserve the exhibition content and local artist master pieces in optimal environmental conditions. Lastly, a standby generator with UPS systems, fire tanks, & CCTV systems with ICT infrastructure were installed. Also worth noting is that in this second phase, the cost of the heritage and artwork totals one third of the contract.

Pillar 4: Transformation of the state and governance

During the period under review, the department has achieved notable success in achieving its targets regarding Small and Medium Enterprises. The department continues striving towards achieving the targets set for procurement spent on Broad-Based Black Economic Empowerment. This is evident by virtue of the target for procurement spent on firms owned by Black people, Black Women and People with Disabilities having been exceeded. The procurement channeled towards military veterans has also shown a notable improvement. The appointments were made through the quotation process construction works with the Construction Industry Development Board (CIDB) level 1 to 4. The department is still experiencing challenges regarding the channeling of procurement spent for Military Veterans to main contractors within the construction space. The department contributed to BBEE Targets through implementation of Section 9 of the Revised Preferential Procurement

Framework Act Regulation 2017 related to subcontracting, as condition of tender bids above R30 million. A total of R781 747,20 was channeled to black-owned sub-contractors.

Pillar 5: Modernisation of the public service

Maintenance of state properties continues to be one of the key deliverables that the department is responsible for. During the period under review, there were 138 maintenance requests from the Department of Social Development institutions, and 281 maintenance defects at DID buildings which were verified to need maintenance. The department is also working on the removal of an obstruction at Simmonds Street erected to provide a safety barrier at FNB building. The project has been completed during the period under review. Installation of sewer pumps at Luckhoff, and the first phase of removal of the oil spillage at Spaarwater plot in Heidelberg were also completed.

The department is still engaged in conducting a due diligence on 447 properties, however, this exercise needs to be afforded time to allow proper procedures to be followed. There are challenges in that it is difficult to convince the user Departments to surrender the surplus properties as per Government Immovable Asset Management Act. In case of non-cooperation the Infrastructure Development HoD is engaging with the transgressing departments' HoDs urging them to surrender those properties. Furthermore, the department has verified 5 250.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

Pillar 1: Radical economic transformation

Implementation of the NYS and the Zivuseni Reloaded Programme: The DID – being both an implementer and coordinator of the EPWP programme in the province – will continue the roll out the programme through the National Youth Service and the Zivuseni Reloaded Programme. This will be achieved through a targeted 7000 work opportunities to be created in the 2019/20 financial year, with a special focus on women, youth and people with disabilities. To ensure a positive impact of the programme on the lives of beneficiaries, and to enhance their employability; the department has undertaken a collaborative initiative with Technical, Vocational Education and Training (TVET) institutions, and the University of Johannesburg through the launch of the Moses Kotane Skills Centre. The core focus during the 2019/20 financial year is to utilise this skills centre to offer further technical and vocational skills to these beneficiaries - particularly with respect to scarce skills that are possessed by artisans – to increase their chances of securing employment post-participation in the programme.

Coordination of Provincial implementation of EPWP Phase 3: Provincial co-ordination of the EPWP function is a mandate of the DID. The department will fulfil its programme coordination role through ensuring that 4 beneficiary Empowerment Interventions are undertaken in the province. In addition, 19 public bodies will be tasked with reporting on the programme, which will assist with routine monitoring of work opportunities created. Given the identified data-collection challenges faced during the implementation of phase 3 of the programme, the department will be rolling-out a biometrics system to automate the tracking of opportunities where jobs were created. This forms part of the Turn-Around Strategy that the department has undertaken to tease out performance issues in the programme and ensure a positive contribution to economic transformation in the province, in keeping with the provincial mandate of radical economic transformation.

Pillar 2: Decisive Spatial Transformation

Establishment of Kopanong Precinct: The Kopanong Precinct development project remains a key project of the GPG that the department will implement over the medium term through a Public Private Partnership (PPP). The aim is to mobilise more than R10 billion in public and private investments in the regeneration of the Johannesburg CBD as the seat of the Provincial government. This will be effected via the refurbishment of 19 buildings in the inner-city precinct for this purpose. Six buildings have already undergone partial refurbishment. Currently, the department is still awaiting TA1 Approval from National Treasury based on the condition that User Departments commit to contributions of the Unitary Payments. Once these are in place, the focus for the department for the 2019/20 financial year will be to appoint a preferred bidder to commence with early works, which is anticipated to occur in the third quarter of 2019/20 on the first cluster. The department is also planning to receive the National Treasury issued TAIII Approval by October 2019.

Pillar 3: Accelerated social transformation

Implementation of Education Infrastructure Projects: DID's role in contributing to the provinces education value chain will continue to involve the provision of new education infrastructure - restorative repairs; SMART schools; replacement schools; and the subsequent maintenance thereof. Part of the focus of the department in the previous financial years has been to ensure that education infrastructure adheres to the National Minimum Uniform Norms and Standards. The National Treasury ensures that the costs of new school construction are kept within the newly defined costs norms, by utilising prototypes where possible, to ensure the standardisation of project design and manage costs. The department's focus area over the MTEF will be; to accelerate the delivery of education infrastructure projects on behalf of clients' departments, within

90 per cent of the stipulated time-frame; to ensure budget and acceptable quality standards with the central purpose of enhancing spatial transformation through integration, modernisation and the re-industrialisation of the Gauteng City Region (GCR). For the 2019/20 financial year, the department will be implementing 127 education infrastructure projects on behalf of the Education Department in what the DID has classified as silver projects (projects that will be completed during the 2019/20 financial year).

Implementation of Health Infrastructure Projects: The department is tasked with the provision of health infrastructure within the province over the MTEF; to assist in the provision of integrated health services in partnership with stakeholders; to contribute to the reduction of vulnerability to health; and the burden of disease in province. In contributing to the impact of improving the health of residents in the province, DID will continue to implement infrastructure projects within 90 per cent of the agreed time and budget, and acceptable quality standards over the MTEF. Given the national health mandate to roll-out the National Health Insurance, DID will systematically ensure that hospitals and clinics within the GCR are built and maintained to meet the existing and emerging demands. Some of the hospitals planned for delivery in the 2019/20 financial year include: New Eersterust Clinic; extension (NHI) P2; and the Chris Hani Hospital (Revitalisation). For the 2019/20 financial year, the department will be implementing a total of 42 health infrastructure projects.

Implementation of STARS Infrastructure Projects: The STARS project refers to all infrastructure projects undertaken for the Department Social Development; Roads and Transport; Agriculture and Rural Development; Sports, Arts, Culture and Recreation; Community Safety; and Infrastructure Development itself. However, these exclude the Department of Human Settlements, and the road-works undertaken by the Gauteng Department of Roads and Transport. In the 2019/20 financial year, the department will be implementing 7 infrastructure projects on behalf of the Department of Social Development.

Pillar 4: Transformation of state and governance

Leveraging procurement to benefit previously disadvantaged entities and individuals:

The department will channel procurement spent to Broad Based Black Economic Empowerment (BBBEE) owned entities; Black Women owned entities; Youth owned entities; People with Disability owned entities; Military Veterans owned entities; and Small, Medium and Micro Enterprises (SMME's), -especially those from previously-disadvantaged townships - to tender in Infrastructure based projects through the implementation of the Revised Preferential Procurement Regulations Act; 2017. The Regulations allow the department to incorporate Prequalification-Criteria or Mandatory-Subcontracting, to empower the abovementioned designated groups as a condition of tender. This has given effect to the department's plans to mainstream these previously disadvantaged groups into the economy by targeting to have 82 per cent of procurement spent on Black owned enterprises; 32 per cent on procurement spent on black female-owned enterprises; and 2.5 per cent on procurement spent on People with Disabilities owned enterprises.

Infrastructure-based programmes and projects continue to be a key catalyst for economic growth and development by leveraging the public sectors procurement processes to benefit PDI's. At the heart of addressing the challenges within the procurement/supply chain, management function will continue strengthening the centralised procurement system to ensure that a percentage of all invoices, without dispute, are paid within 30 days of receipt from the service providers.

Improving human resource capacity and capability: The department has worked tirelessly to ensure that it has the right capacity and skills to provide the infrastructure delivery and management services required in terms of its mandate and the new organisational structure in place since January 2015. Since then, the Human Resource function has managed to fill 2366 (84 per cent) of the 2811 posts on the organisational structure, with 2272 (81 per cent) being core, and technical posts. Of these posts a total of 599 consist of; Registered Build Professionals; Candidate Engineering and Related Professionals; Chief Artisans; Artisans; Foremen and Planners. The intent is to increase this pool by a further 257 professionals. Plans are also underway to enhance the number of artisans in the department by recruiting 500 artisans through the expanded public works programme. The development and strengthening of the skill set of existing technical staff will also be prioritised, through bursaries and in-house training opportunities, such that as many of them as possible can be fully registered professionals in their respective fields.

The filling of the vacant funded posts will consider policy imperatives on employment equity (50 per cent of women in management positions and 2 per cent of People with Disabilities) within the department and will strive to ensure all vacant posts are filled within a 10 per cent variation.

Pillar 5: Modernisation of the Public Service

Updating and maintaining a compliant immovable asset register: The DID is the custodian of a significant portion of the immovable assets vested with the provincial government. The compilation of a compliant baseline Immovable-Asset-Register (IAR) is of paramount importance for addressing all negative audit findings. The department is committed to ensuring 80 per cent compliance on the Immovable Asset Register within the requirements of the Government Immovable Asset Management Act (GIAMA) per annum.

Development of User-Asset Management Plans and Custodian-Asset Management Plan: The department commits to register and verify 7 011 immovable assets in the IAR, in accordance with the mandatory requirements of National Treasury.

The department will further facilitate the completion of 14 User-Asset Management Plans (U-AMP's) by respective client departments in Gauteng, while developing one Custodian-Asset Management Plan (C-AMP), for submission to the Gauteng Treasury in accordance with GIAM Act.

Pillar 6: Modernisation of the economy:

Implementation of green technology solutions at GPG facilities: In response to the GPG Green Agenda, DID is responsible for developing and implementing green technology solutions that are aimed at contributing to the conservation initiatives, and the efficient use of infrastructure technologies, to contribute to making Gauteng a nature efficient City Region. The department will continue contributing to these initiatives through the design and construction of facilities that incorporate energy efficiency mechanisms such as the co-generation plants at health facilities.

DID is currently compiling submission documentation for TA III of the PPP Procurement Phase. In accordance with the new requirements, the preferred bidder was required to apply for a license to generate more than 1 Mega Watt of electricity for three Academic hospitals (without these, the project is not feasible) from NERSA. Continuation of the project depends on NERSA granting the generation license to the Preferred Bidder, and the Department of Health confirming availability of the operational budget. EXCO then decided to cancel this project.

Pillar 7: Modernisation of Human Settlements and Urban Development:

Strengthening the implementation of e-maintenance strategy and system: The focus of Health Maintenance will be to continue with the implementation of the e-maintenance strategy, which commits the department to attend to minor breakdowns within 24 hours, major breakdowns within 7 days, and to carry out major refurbishments within 365 days. This was done to ensure that small maintenance and day-to-day issues and challenges are resolved quickly and efficiently, without having to undergo the entire procurement value chain, by adopting a single supplier system to ensure quality and timely delivery, removing the need for the continuous SCM processes.

This is complemented by the e-maintenance system, which is an online maintenance system designed to report, log and monitor maintenance defects at hospitals. It enables any member of the public, not just hospital staff, to log any maintenance issue via the maintenance reception at the facility; SMS; the website, or social media. Reducing the health maintenance backlog will be a crucial indicator that will be monitored in real-time.

Infrastructure maintenance: DID has a responsibility to ensure it provides quality maintenance services to the assets within its custodianship. In addition, one of its key responsibilities is to ensure that all public health facilities in GCR are properly maintained. As part of planning, 32 hospitals have undertaken condition assessment exercises that aim to determine the functionality level of these hospitals. The department plans to establish a fully-fledged facilities-management capability, which forms part of the Maintenance Turn-Around Strategy, which will address poorly rated hospitals. This will assist the department in moving from reactive maintenance to proactive maintenance of health facilities. The focus over the 2019/20 financial year will be on increasing the condition assessment ratings of health facilities to acceptable levels. In addition, the department will be implementing 72 planned maintenance projects to ensure that they are completed within the allotted time and budget.

4. REPRIORITISATION

The budget allocated for the 2019/20 financial year is R3.5 billion of which 86 (R3 billion) is ring-fenced and approximately 14 per cent (R500 million) can be allocated to departmental commitments and other goods and services.

The reprioritisation process took into consideration the departmental needs by first allocating funds to essential commitments; and then designate the remainder for goods and services. In terms of goods and services the department could not increase the budget allocated but instead had to reprioritise to fund Security Services, GIAM, and ICT.

It is also important to note that this reprioritisation did not take into account the possible accruals that will be carried forward from the 2018/19 financial year. A total amount of R333 million has been reprioritised between programmes to ensure that the department has fully funded the current commitments.

5. PROCUREMENT

Supply Chain remains a trajectory for service delivery, thus there have been consistent improvements in the area resulting from changes made or the introduction of new regulatory frameworks. The following are key initiatives and challenges noted within the Supply Chain Environment.

Standards for Infrastructure Procurement and Delivery Management

The Standard for Infrastructure Procurement and Delivery Management (SIPDM) which covers the supply chain management system for infrastructure delivery came into effect on 1 July 2016. The aim of the standard is to ensure that Supply Chain Management Processes are executed “efficiently” to minimise time delays, scope creep, unproductive costs, and to mitigate the effects of uncertainty on objectives, to maintain the value-for-money proposition formulated at the outset of the project.

The policy (Supply Chain Management Policy Infrastructure Procurement and Delivery Management) in line with SIPDM was approved on the 24 November 2017 and is currently in place.

To this end, the department developed its processes in alignment with the standard to ensure efficiency in procurement, and timeous project implementation.

The standard also identifies a framework agreement as a suitable procurement method. Currently the department is utilising the Framework Agreement for construction projects from CIDB grading 6 to 9. The main aim is to shorten turnaround times and have service providers in place who possess the necessary capacity and capability. The Framework agreement has certainly improved the departments turnaround time, especially on emergency projects.

Open tender processes

In the 2015/16 financial year, Gauteng Province introduced ‘open tenders’, which were applicable to tenders above R50 million, where the public can observe tender adjudication proceedings. The openness of tenders was introduced in the interest of transparency, fairness, value for money, equity and cost-effectiveness in the tender processes. For the 2018/19 financial year, the department has set a target of at least 60 percent of its tenders to be subjected to the open adjudication process, regardless of transactional value.

Irregular expenditure

The department implemented guidelines and a procedure manual to assist with the early detection, timeous reporting, and prevention of irregular, unauthorized, fruitless and wasteful expenditure. Reporting processes have been enhanced to ensure completeness of disclosures and investigations, so that action is taken to curb recurrence. The department strengthened processes to ensure that no new irregular expenditure occurs, with a minimum of 3 quotations being required, and proper SCM processes being adhered to. Bid Committees in conjunction with the Internal Control Unit are also instrumental in ensuring that no new irregular expenditure occurs on tenders. In addition, probity auditors for projects above R50 million will highlight any irregularities before being awarded.

Achievements

The department continues to maintain procurement channelled to targeted groups such as SMMEs, black-owned businesses, women, youth empowerment, people with disabilities and military veterans. The department, through the enactment of the revised Preferential Procurement Regulation (2017), can now partake in the tender process through pre-qualified criteria, and mandatory subcontracting to advance targeted groups - including township enterprises. The Supply Chain Management office will continue to conduct training and workshops that will provide insight on the procurement process to targeted groups. The Supply Chain Management office has filled 90 percent of the vacant positions in line with the IDMS structure.

Challenges

In terms of the procurement targets, there was under-achievement regarding Military Veterans, and the department is embarking on addressing procurement spent on Cooperatives. The core work in the department is construction and due to Budget Cuts on Goods and Services less Companies benefits from the department. Especially small companies that are not registered on CIDB. In addition, the prices for the quotation provided by these firms are not market related.

There has been a delay in appointing subcontractors due to the engagement that must first occur between the main contractor and the community. The process of engagement may be lengthy at times, delaying appointment of subcontractors intended to service the needs of targeted groups such as military veterans and people with disabilities. These processes are also controlled by Ward Councillors who may not be aware of the departmental Targets for Targeted Groups.

Strategies to address challenges

Workshops, training initiatives, and public engagements are being strengthened to encourage competition amongst these groups to avert underperformance.

The department will also collaborate with the Department of Economic Development on incubation programmes for SMMEs in the construction sphere

With regards to subcontracting, the department through Stakeholder Management, will engage with communities to discuss the importance of appointment of subcontractors to prevent poor service delivery.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 15.1: SUMMARY OF DEPARTMENTAL RECEIPTS: DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	2 349 141	2 546 440	3 005 269	3 019 184	3 019 184	3 019 184	3 441 962	3 488 832	3 682 518
Conditional grants	9 205	17 167	19 192	17 780	17 780	17 780	23 878		
Expanded Public Works Programme	9 205	17 167	19 192	17 780	17 780	17 780	23 878		
Total receipts	2 358 346	2 563 607	3 024 461	3 036 964	3 036 964	3 036 964	3 465 840	3 488 832	3 682 518

Departmental receipts increased from R2.4 billion in 2015/16 to R3 billion in the 2017/18 financial year. In the previous financial year, the department was allocated additional funding amounting to R317 million to fund Infrastructure projects and the payment of property leases. In the current financial year, the department continues to provide adequate funding to fully provide for leases (including lease accruals).

The departmental receipts remained at R3 billion for the 2018/19 financial year. Over the MTEF, the departmental receipts are expected to increase from R3.5 billion in 2019/20 to R3.7 billion in 2021/22.

The conditional grant is not reflected over the MTEF due to the allocation being determined based on performance in the preceding year. This grant is allocated directly by the National Public Works to assist the department in the EPWP program. This means that the department's budget will increase over the MTEF as the allocations for the grant are confirmed.

6.2 Departmental receipts

TABLE 15.2: SUMMARY OF DEPARTMENTAL RECEIPTS: DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	18 152	18 855	16 480	24 895	24 895	24 895	26 289	27 735	29 260
Interest, dividends and rent on land	119	23	58						
Transactions in financial assets and liabilities	2 002	1 230	705	655	655	655	692	730	770
Total departmental receipts	20 273	20 108	31 628	25 550	25 550	25 550	26 981	28 465	30 030

The department's revenue collection has increased from R20.2 million in the 2015/16 financial year to an estimated R31 million in 2017/18 financial year. This increase is informed by an EXCO decision to sell non-core assets and other properties, where the transfers were finalised in 2017/18. The 2018/19 budget amounts to R25.5 million. This estimate does not include the estimated sales that will take place during the 2018/19 financial year as the department is moving into Phase 2 of property auctions. The revenue over the MTEF is expected to increase from R27 million in 2019/20 to R30 million in the 2021/22 financial period.

7. PAYMENT SUMMARY

7.1 Key assumptions

The department will continue to provide for the infrastructure needs of the province as mandated by the provincial administration. The following elements have been considered when determining budgets for the 2019/20 MTEF:

Personnel: the department had factored in the cost of living adjustments agreements as published by the DPSA for levels 1 to 12. The department used the average of 6.5 per cent for levels 13-16. The provision has also been made for 2 per cent pay progression and 1.5 per cent performance bonus. The housing allowance increases were also considered.

Goods and services:

The consumer price index (CPI) inflation projection will be used for all non-personnel items over the MTEF. For the 2019/20 financial year it will be 5.3 per cent, 5.5 per cent in 2020/21 and 5.5 per cent in the 2021/22 financial year.

7.2 Programme summary

TABLE 15.3: SUMMARY OF PAYMENTS AND ESTIMATES: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	442 542	449 445	336 158	326 559	326 559	369 824	338 631	347 127	357 940
2. Public Works Infrastructure	1 677 464	1 796 898	2 237 025	2 392 642	2 392 642	2 409 136	2 796 296	2 807 137	2 963 284
3. Expanded Public Works Programme	296 097	317 264	285 838	317 763	317 763	258 004	330 913	329 568	361 294
Total payments and estimates	2 416 103	2 563 607	2 859 021	3 036 964	3 036 964	3 036 964	3 465 840	3 483 832	3 682 518

7.3 Summary of economic classification

TABLE 15.4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 480 663	1 667 259	2 028 512	1 991 827	1 961 016	1 965 766	2 187 215	2 306 198	2 461 290
Compensation of employees	708 008	838 730	912 381	1 033 479	1 033 479	1 041 942	1 130 365	1 174 590	1 259 627
Goods and services	766 295	828 203	1 115 701	957 548	926 736	922 832	1 055 850	1 130 541	1 200 537
Interest and rent on land	6 360	326	430	800	801	992	1 000	1 067	1 126
Transfers and subsidies to:	682 843	727 118	710 057	907 444	907 073	905 167	1 059 204	1 121 511	1 186 611
Provinces and municipalities	679 060	717 417	703 868	901 394	901 394	901 394	1 054 375	1 117 931	1 183 359
Departmental agencies and accounts				4	4		4	4	4
Households	3 783	9 701	6 189	6 046	5 675	3 773	4 825	3 576	3 248
Payments for capital assets	251 898	152 035	117 156	137 693	168 875	165 845	219 421	56 123	34 617
Buildings and other fixed structures	185 480	110 690	90 109	103 693	134 874	134 874	187 421	22 363	
Machinery and equipment	28 467	41 345	27 047	34 000	34 001	30 971	32 000	33 760	34 617
Software and other intangible assets	37 951								
Payments for financial assets	699	17 195	3 296			186			
Total economic classification	2 416 103	2 563 607	2 859 021	3 036 964	3 036 964	3 036 964	3 465 840	3 483 832	3 682 518

The the prior financial years, the department has seen an increase in expenditure amounting to 100 percent of the budget allocated, without any unauthorised expenditure or rollovers. This has been an improvement as compared to previous years

where - in the 2014/15 financial year - only 97 percent was spent, which resulted in a surrender of R59 million. In the 2015/16 financial year an amount of R2.4 billion was spent, which increased to R2.8 billion in 2017/18 financial year. Rates and Taxes were fully paid, the NYS program was improved with the introduction of the Zivuseni programme. The budget allocated for the 2018/19 financial year will be fully expensed with reduced accruals.

The departmental budget over the MTEF will increase from R3.5 billion in 2019/20 to R3.7 billion in 2021/22. The department's budget will increase by approximately 14 per cent from the 2018/19 financial year to 2019/20 due to the additional funding of R200 million for rates and taxes, and Kopanong Precinct – Facilities Management. The budget will increase at less than a percent over the 2019/20 and 2021/22 financial year periods, which is below inflation and will have an impact on projects that are overlapping over the MTEF.

Compensation of Employees' (CoE) budget has increased significantly because of the filling of critical posts over the years. The expenditure has increased from R708 million in 2015/16 to R912 million in the 2017/18 financial year. In 2018/19 the CoE budget amounted to R1 Billion. Over the MTEF the budget will increase from R1.130 billion in 2019/20 to R1.260 billion in 2021/22. This represents a 3 per cent increase per annum which is below inflation. This allocation includes the NYS stipends budget as it is paid under compensation of employees. The allocation of the stipends is over and above the compensation budget.

Goods and services expenditure for previous years increased from R766.3 million in 2015/16 to R1.1 billion in the 2017/18 financial year. This was attributable to the increase in allocation for maintenance of government infrastructure, and property leases during adjustment budget process. In the 2018/19 financial year, the budget for Goods and Services was adjusted down from R957.5 million to R922.8 million due to the shifting of funds from Maintenance to Infrastructure projects. The department experienced challenges with regards to the safety of its own buildings, triggered by the fire that took place at the Bank of Lisbon building. Therefore, funding was urgently required to ensure that all the buildings are compliant with the Occupational Health & Safety Act. Over the MTEF, the allocation will increase from R1,063 million in 2019/20 to R1,200 million in the 2021/22 financial year.

Transfers in the department constitute the devolution of rates and taxes, and Household which is for bursaries for non-employees and the leave gratuity that is paid out when an employee leaves the department. Over the MTEF the budget will increase from R1.1 billion to R1.2 billion at 5 per cent per annum. During the prior financial year, the department fully depleted the allocated budget for rates and taxes, which has increased from R 682.8 million in 2015/16 to R710 million in the 2017/18 financial year. In the 2018/19 financial year the budget increased to R907 million, including additional funding of R100 million for rates and taxes - to offset arrears incurred due to reprioritisation of funding, that took place during the 2017/18 financial year (to fund the Property Leases in December 2017).

During the 2015/16 financial year the department changed service providers (responsible for providing software utilised to tracks items and Other intangible assets). None of the software can be capitalised and the department has been using the item Computer Services which falls under goods & services. During the 2016/17 financial year, the Standard Chart of Accounts (SCOA), required the re-classification of cellphone contracts from operating leases to finance leases. It also required the procurement of furniture for floors 13 to 17; which resulted in a significant increase, from R28.5 million in 2015/16 to R41.3 million. The expenditure reduced in 2017/18 to R27 million, which included the cost of cellphones, no furniture was procured during that financial year.

During the 2018/19 financial year the budget for Capital Asset has been closely monitored to ensure that use of cellphones is kept to a minimum to promote reduced expenditure. The budget allocated was R34 million which funded the procurement of tools of trade such as computers, laptops and cellphones. This budget was decreased for the 2019/20 financial year as tools had been procured for all new staff and those that required them. In that year, only replacement computers will be procured (projected quantities for replacements are expected to be low). Over the outer years the budget will increase at 5 percent while being closely managed.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

Please refer to the 2019 Estimates of Capital Expenditure (ECE)

7.4.2 Departmental Public-Private-Partnership (PPP) projects

The department allocated R100 million for Kopanong Precinct – Facilities Management project.

7.5 Transfers

7.5.1 Transfers to public entities

N/A

7.5.2 Transfers to other entities

N/A

7.5.3 Transfers to local government

TABLE 15.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	566 223	644 295	647 532	766 000	766 000	766 000	905 000	965 931	1 028 359
Category B	105 178	63 381	109 930	135 394	135 394	135 394	149 375	152 000	155 000
Category C	7 658	9 740							
Unallocated	1	1							
Total departmental transfers	679 060	717 417	757 462	901 394	901 394	901 394	1 054 375	1 117 931	1 183 359

Over the course of the prior year, the department fully expensed its allocated budget for Rates and Taxes due to arrears carried forward year in and year out. The department has issued an Asset Register to all the Municipalities, to ensure that the department is only billed for properties that have been devolved to the province. Expenditure increased from R679 million in 2015/16 to R757.5 million in the 2017/18 financial year.

The department has been allocated additional funding of R100 million during the 2018/19 financial year, due to reprioritisation of funding that took place during the 2017/18 financial year. Over the MTEF the budget remains constant at R1.1 billion in 2019/20 and 2020/21 before increasing to R1.2 billion in 2021/22. This budget has been increased by an additional R100 million which will increase at 5 per cent per annum.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The purpose of this programme is to provide strategic leadership to the department and to support the core programmes in their efforts to implement the mandate of the department. This includes the provision of strategic and operational support services for the MEC and the HOD, provision of Financial Management and Supply Chain Management services, provision of Corporate Support Services including Human Resource Management, Information Systems Management, Internal and External Communications, Strategic Planning and Monitoring and Evaluation as well as Legal Services and Security Management, and the provision of Internal Audit and Organisational Risk Management services.

Programme objectives

The following are the programme specific objectives that will be the focus of the Department over the next three years.

- Leveraging procurement to benefit historically disadvantaged entities and individuals;
- Improving human resource capacity and capability;
- Effective and sustainable management of departmental resources;
- Operationalisation of IDMS;
- Utilizing Information Technology, Innovation and Benchmarking to stay ahead of the Infrastructure Delivery Curve;
- Reducing the contingent liability of the Department;
- Informing the review of norm and standards, and definition of policies for infrastructure delivery and property management; and
- Building the image and reputation of the department.

TABLE 15.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Office Of The Mec	9 789	9 330	8 851	8 246	8 005	6 961	7 168	7 562	7 978
2. Corporate Support	427 911	428 322	312 931	306 237	306 457	348 136	318 975	326 389	336 061
3. Management Of The Department	4 842	11 793	14 376	12 076	12 097	14 727	12 488	13 176	13 901
Total payments and estimates	442 542	449 445	336 158	326 559	326 559	369 824	338 631	347 127	357 940

TABLE 15.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	398 680	402 926	312 796	288 288	288 658	336 805	304 160	312 563	322 475
Compensation of employees	160 195	184 058	203 019	195 708	195 708	236 821	206 668	218 035	231 787
Goods and services	232 263	218 723	109 643	92 081	92 449	99 927	96 992	93 989	90 119
Interest and rent on land	6 222	145	134	500	501	57	500	539	569
Transfers and subsidies to:	2 221	6 378	3 595	4 271	3 900	2 213	2 471	804	848
Provinces and municipalities									
Households	2 221	6 378	3 595	4 271	3 900	2 213	2 471	804	848
Payments for capital assets	40 943	38 946	19 271	34 000	34 001	30 620	32 000	33 760	34 617
Machinery and equipment	25 709	38 946	19 271	34 000	34 001	30 620	32 000	33 760	34 617
Software and other intangible assets	15 234								
Payments for financial assets	698	1 195	496			186			
Total economic classification	442 542	449 445	336 158	326 559	326 559	369 824	338 631	347 127	357 940

The Administration programme has seen a decrease in the budget allocated, due to realignment of functions to correct programmes and ensure accurate reporting. The department has moved the function of Security Management from Corporate Services to Immovable Asset Management, tied to its function of property Management and the allocation of budget under the core programme, Programme 2: Public Works.

The expenditure decreased from R442 million in 2015/16 to R336 million in the 2017/18 financial year. During the 2018/19 financial year, the department centralised procurement of stationery. This resulted in expenditure of approximately R1 million for the entire department. Over the MTEF the budget will increase from R339 million in 2019/20 to R358 million in 2020/21. The department has implemented cost-cutting measures, which have increased efficiencies in allocation of resources and reduced spending. Other functions, such as procurement of ICT equipment, has been centralised with ICT; procurement of furniture and other equipment has been centralised with Asset Management.

The department is struggling with allocation of personnel according with their appointments per directorate. This has resulted in a mis-allocation of personnel expenditure. Some directorates and Hospitals were omitted on the approved structure, which resulted in several officials holding posts additional to the establishment. The structure will need to be reviewed to include those omitted functions, and to load these posts on PERSAL. In prior years, expenditure increased from R160.2 million in 2015/16 to R203 million in 2017/18, due to misallocation in personnel that are on excess and new appointments. This decreased to R195.7 million in the 2017/18 financial year, however, the department intends to overspend on this programme due to under-funding or allocation. Over the MTEF the budget will increase from R207 million in the 2019/20 financial year to R232 million in 2021/22.

Goods and services include the operating costs of the department, for example payment of ICT licenses; Telecommunication; Stationery; Legal Services; and Audit Fees etc. The department has seen an increase in cases that require settlement, however, the client departments are not assisting in paying the court orders. This has resulted in an increase in expenditure that the department cannot absorb without delaying or suspending other projects. Over the years, the goods and services budget has decreased from R232.3 million in 2015/16 to R109.6 million - due to shifting of the Security Services function from Administration to Immovable Asset Management in Programme 2. There has been an increase in expenditure for Legal costs

attributable to Court Orders. This budget has further reduced to R92 million in 2018/19 financial year due to cost-cutting measures. Over the MTEF the budget will decrease from R96.9 million to R90.1 million. This is as a consequence of the centralisation of the procurement of stationery (which previously was very expensive) and also thanks to strict measures regarding the allocation of cellphones and procurement of furniture. These measures have allowed the department to be able to allocate approximately R12 million to Government Immovable Asset Management (GIAM), for conveyancing and updating of the Immovable Asset Register with all Devolved properties.

Transfers and subsidies will decrease over the MTEF in line with the cost-cutting measures, and to ensure that the department has sufficient funding to fill critical posts to deliver on its mandate. In the 2019/20 financial year an amount of R2.4 million has been allocated to fund the bursaries for non-employees (which are expected to decrease significantly if there is no new intake). Over the past years the department has seen a significant spending on bursaries for non-employees which in 2015/16 was R2.2 million and increased to R6.4 million in 2016/17 - due to accruals carried from the 2015/16 financial year - which later decreased to R3.5 million in the 2017/18 financial year. During the 2017/18 financial year a decision was taken by management not to issue new bursaries as part of cost-cutting measures, and to manage and decrease accruals.

Payment for capital assets includes the funding for the acquisition of tools of trade, which has been a challenge over the years. The department through cost-cutting measure was able to allocate R7 million for the procurement of computers during the 2018/19 financial year. Over the MTEF the budget will decrease from R32 million allocated in the 2019/20 financial year to R34.6 million in 2021/22.

SERVICE DELIVERY MEASURES

PROGRAMME 1: ADMINISTRATION

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Amount of Revenue collected	24 million	24 million	24 million	24 million
Percentage of service provider's invoices without a dispute paid within 30 days from date of receipt of proper invoice	90%	90%	90%	90%
Percentage of management posts filled by women	50%	50%	50%	50%
Departmental vacancy rate in percentage	10%	10%	10%	10%

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Programme Description

This Public Works infrastructure Programme is responsible for providing the core services that are mandated to the Department. This includes being the implementer of infrastructure and maintenance projects on behalf of all GPG Departments. Maintenance projects include renovations, refurbishments and upgradings. In the case of the Provincial Department of Health, it also includes the implementation of day-to-day, routine/preventative and emergency maintenance at all Health Facilities in the Province with the exception of Jubilee Hospital and Odi Hospital which are maintained by the Provincial Department of Health.

The DID manages the construction procurement projects for Provincial departments and issues framework/term contracts for day-to-day, routine/preventative maintenance, when required, for all Provincial departments. This includes the maintenance and estate management services provided for shared offices including the offices used by DID.

The programme is also responsible for managing immovable assets of the GPG as the Provincial Custodian. It manages and plans for effective and efficient utilisation of immovable assets, management of leases, estates and payment of creditors for allocated areas, management of acquisition and disposal of immovable properties and facilitation of property development.

Programme Objectives

The following are the programme specific objectives that will be the focus of the Department over the next three years.

- Establishment of Kopanong Precinct;
- Implementation of Education, Health and STARS Infrastructure Projects;
- Adherence to the IDMS Delivery Process;
- Provide Research that informs leading practice and strategic thinking for the delivery of impactful and sustainable infrastructure;
- Value Optimisation of the Infrastructure Delivery Management System;
- Continuous Improvement and Monitoring of IDMS Business Processes and Systems;
- Provide Support for the Implementation of IDMS Process and Systems;
- Updating and maintaining a compliant immovable asset register;
- Property Management Optimisation Plan;

- Disposal of Non-core and Non-Strategic Assets;
- Acquisition and Disposal of Land;
- High-impact Precinct Development;
- Development of User-Asset Management Plans and Custodian-Asset Management Plan;
- Accelerated delivery of client projects through Lutsinga Infrastructure House; and
- Implementation of green technology solutions at GPG facilities.

TABLE 15.8: SUMMARY OF PAYMENTS AND ESTIMATES: PUBLIC WORKS INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Construction	324 391	282 419	353 187	270 649	270 648	281 393	331 304	190 375	179 118
2. Maintenance	404 092	475 361	552 653	602 337	602 338	610 913	668 722	702 843	744 357
3. Immovable Asset Management	948 981	1 039 118	1 331 185	1 519 656	1 519 656	1 516 830	1 796 270	1 913 919	2 039 809
Total payments and estimates	1 677 464	1 796 898	2 237 025	2 392 642	2 392 642	2 409 136	2 796 296	2 807 137	2 963 284

TABLE 15.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC WORKS INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	804 707	963 188	1 433 200	1 385 892	1 354 711	1 370 958	1 552 258	1 664 267	1 777 732
Compensation of employees	455 115	538 183	659 272	706 421	706 421	724 838	779 889	830 029	887 691
Goods and services	349 454	424 824	773 632	679 171	647 990	645 185	771 869	833 710	889 484
Interest and rent on land	138	181	296	300	300	935	500	528	557
Transfers and subsidies to:	680 622	720 731	706 462	903 057	903 057	902 953	1 056 617	1 120 507	1 185 552
Provinces and municipalities	679 060	717 417	703 868	901 394	901 394	901 394	1 054 375	1 117 931	1 183 359
Departmental agencies and accounts				4	4		4	4	4
Households	1 562	3 314	2 594	1 659	1 659	1 559	2 238	2 572	2 189
Payments for capital assets	192 134	112 979	97 363	103 693	134 874	135 225	187 421	22 363	
Buildings and other fixed structures	185 480	110 690	90 109	103 693	134 874	134 874	187 421	22 363	
Machinery and equipment	2 743	2 289	7 254			351			
Software and other intangible assets	3 911								
Payments for financial assets	1								
Total economic classification	1 677 464	1 796 898	2 237 025	2 392 642	2 392 642	2 409 136	2 796 296	2 807 137	2 963 284

Expenditure on this programme over the prior financial years increased from R1.7 billion in 2015/16 to R1.8 billion in 2016/17. The department fully paid its allocated budget on Rates and Taxes and there was improvement on Infrastructure spending as well. The expenditure for the 2017/18 financial year amounted to R2.2 billion, due to post being filled, and increased payments on property leases and utilities. The department was allocated an amount of R2.4 billion for the 2018/19 financial year which is expected to increase from R2.8 billion to R3 billion over the 2019 MTEF.

Additional funding of R200 million has been allocated to the department for the 2019/20 financial year, of which R100 million is for devolution of rates and taxes and the other R100 million for the Kopanong Precinct – Facilities Management. These funds will increase by approximately 5.5 per cent over the MTEF.

The budget allocated to this programme constitutes approximately 80 per cent of the total budget allocated to the department. Programme 2: Public Works is the Core programme and drives the mandate of the department.

Compensation of employees increased significantly over the years as the department prioritised filling of posts that are critical for delivery of infrastructure to the public, as well as the department's retention strategy, and the appointing of officials in accordance with the Occupational Specific Dispensation (OSD) salary scales. Over the MTEF the department's allocated budget will increase from R779.9 million in 2019/20, to R830 million in 2020/21 and then to R888 million in 2021/22. This allocation will increase at 5 per cent per annum.

Good and services allocation of R679 million in 2018/19 comprises the operational costs - such as protective clothing; operating lease; utilities; cleaning services travelling costs; G-fleet rentals; security services and infrastructure maintenance. Over the 2019 MTEF, the budget will increase from R771.9 in 2019/20 financial year to R889.5 million in the 2021/22 financial year. Over the years expenditure has been increasing significantly, due to allocation of resources and tools of trade to enable

the officials to perform. This increase is also in line with the increased recruitment of technical staff and artisans within this Core function. The expenditure has increased from R349.4 million in 2015/16 to R773.6 million in the 2017/18 financial year. Also included in the expenditure incurred in 2017/18, is an amount of R110 million, which was an additional allocation for property leases. This allocation has been increasing at 5 per cent per annum and was not a once off allocation.

The devolution of rates and taxes expenditure has increased from R679 million in 2015/16 to R717 million in the 2016/17. The expenditure then decreased to R703.9 million during the 2017/18 financial year, due to reprioritisation of the budget, to fund the lease which was overdue. To cater for the reprioritisation (that took place during the 2017/18 financial year), the budget for the 2018/19 financial year was increased by R100 million, to R901.4 million, adjusted for inflation over the MTEF, from R954 million to R1 billion in 2021/22. For the 2019/20 MTEF the budget has been increased by another R100 million to R1.054 billion in 2019/20 and will increase by 5.5 per cent over the MTEF.

Payments for Capital Assets have been fluctuating over the years due to allocation of projects to either DID or to Client departments. Expenditure decreased during the preceding years due to completion of projects. Effective 2017/18 the department only implemented projects that are in line with its mandate with the budget allocated. These projects include maintenance of DID's Regional Offices, Precinct Buildings and rehabilitation of all core properties. Over the 2019/20 MTEF, the allocation will decrease from R187 million in 2019/20 to R22 million in 2020/21. Allocated for the 2019/20 financial year is an amount of R92 million for the demolition of the Bank of Lisbon building. The department has appointed a service provider to commence with the work and the actual demolition is expected to take place in June 2019. This is a once-off project, hence the significant decrease in the budget for 2020/21 as compared to 2019/20 financial year.

SERVICE DELIVERY MEASURES

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of infrastructure designs ready for tender	48	29	28	28
Number of capital infrastructure projects completed within the agreed time period	39	37	19	19
Number of capital infrastructure projects completed within agreed budget	39	35	19	19
Number of planned maintenance projects completed within the agreed contract period	50	55	55	55
Number of planned maintenance projects completed within agreed budget.	50	55	55	55
Number of immovable assets verified in the Immoveable Asset Register (IAR) in accordance with the mandatory requirements of National Treasury	7 000	7 000	7 000	7 000
Number of condition assessments conducted on state owned buildings	3	3	3	3

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

Programme Description

The purpose of Expanded Public Works Programme (EPWP) is to manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme. The EPWP is a nationwide programme aimed at the reorientation of the public-sector spending in favour of projects that create more work opportunities.

Programme Objectives

The following are the programme specific objectives that will be the focus of the Department over the next three years.

- Increasing Labour Intensive Construction Content in Projects;
- Coordination of Provincial implementation of EPWP Phase 3;
- Implementation of the NYS and the Zivuseni Reloaded Programme;
- Implementation of the Contractor Incubation Programmes and Enterprise Development Programme; and
- Development of a Cooperative Model of Development Framework.

TABLE 15.10: SUMMARY OF PAYMENTS AND ESTIMATES: EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Programme Support Cbp	181 900	190 218	54 457	77 200	77 200	67 970	80 691	228 668	242 873
2. Community Development	114 197	127 046	231 381	240 563	240 563	190 034	250 222	100 900	118 421
Total payments and estimates	296 097	317 264	285 838	317 763	317 763	258 004	330 913	329 568	361 294

TABLE 15.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	277 276	301 145	282 516	317 647	317 647	258 003	330 797	329 368	361 083
Compensation of employees	92 698	116 489	50 090	131 350	131 350	80 283	143 808	126 526	140 149
Goods and services	184 578	184 656	232 426	186 297	186 297	177 720	186 989	202 842	220 934
Interest and rent on land									
Transfers and subsidies to:		9		116	116	1	116	200	211
Provinces and municipalities									
Households		9		116	116	1	116	200	211
Payments for capital assets	18 821	110	522						
Buildings and other fixed structures									
Machinery and equipment	15	110	522						
Software and other intangible assets	18 806								
Payments for financial assets		16 000	2 800						
Total economic classification	296 097	317 264	285 838	317 763	317 763	258 004	330 913	329 568	361 294

In the 2015/16 financial year the department spent R296.1 million which was reduced to R285.5 million in 2017/18. This amount was purely for the Expanded Public Works Program and excluded any infrastructure projects. The EPWP programme is allocated funding for job creation, community development, and training for beneficiaries that are participating in these programmes. In the previous financial year, the expenditure of this programme had been fluctuating due to many issues that were experienced in this programme. In the past the department was unable to spend the budget due to delays in the implementation of training programmes, and the fluctuating numbers of the NYS beneficiaries. Over the year the department established another programme - called The Zivuseni Reloaded Programme -, focusing on individuals that are older than 35 years. With this new programme the department has seen an increase in this programme's performance.

The department is anticipating spending the current year's allocated budget of R317.8 million which will increase from R330.9 million in 2019/20 to R361.3 million in 2021/22. This budget is expected to increase each year as the National public Works confirm the Conditional Grant that they will allocate to the department.

The conditional grant received during the 2016/17 financial year amounted to R17 million, it increased to R19 million for the 2017/18 financial year and was fully utilised. In the 2018/19 financial year, the department was allocated R18 million. The grant is used for job creation. An amount of R23.9 million has been allocated for the 2019/20 financial year. Over the outer year the budget will be allocated depending on the 2019/20 performance.

Compensation of employees increased from R92.7 million in 2015/16 to R116 million in 2016/17, before decreasing to R 50.1 million in the 2017/18 financial year. This fluctuation was due to the allocation of the NYS stipends being listed under compensation (because the item used to pay is currently reflecting as compensation). The budget increased significantly to R131.4 million in 2018/19 due to the payment of NYS stipends through the compensation allocation, in accordance with the Standard Chart of Account (SCOA). Over the MTEF the budget will decrease from R143.8 million in the 2019/20 financial year, to R126 million (pending the allocation of the Incentive grant in 2020/21) and will increase to R140 million for the 2021/22 financial year.

Goods and Services is intended mainly to train NYS and Zivuseni beneficiaries and includes the stipend for the Zivuseni and Military Veteran beneficiaries. Goods and Services expenditure increased from R184.6 million in the 2015/16 financial year to R232.4 million in 2017/18. Over the MTEF the budget will increase from R187.0 million in the 2019/20 financial year to R220.9 million in 2021/22.

SERVICE DELIVERY MEASURES

PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of EPWP work opportunities created by DID	7 000	7 000	7 000	7 000
Number of Full Time Equivalents (FTE's) created by DID	2 543	2 543	2 543	2 543
Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the Province (4 sectors Infrastructure, Social, Environment & Non-State)	4	4	4	4
Number of Beneficiary Empowerment Intervention	12	12	12	12

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 15.12: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS BY COMPONENT

R thousands	Actual						Revised estimate			Medium-term expenditure estimate				Average annual growth over MTEF						
	2015/16		2016/17		2017/18		2018/19			2019/20		2020/21		2021/22		2018/19 - 2021/22				
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	% Costs of Total			
Salary level																				
1 – 6	1 003	200 519	1 222	255 248	1 370	285 022	1 335	6	1 341	189 314	1 458	203 892	1 458	216 370	1 458	230 376	3%	7%	18%	
7 – 10	284	227 028	396	171 453	438	185 858	430	19	449	149 683	506	163 904	506	174 427	527	194 056	5%	9%	15%	
11 – 12	92	125 908	152	156 988	138	141 035	95	8	103	81 109	158	138 205	158	147 188	158	157 699	15%	25%	11%	
13 – 16	66	92 641	65	70 512	65	71 164	56	6	62	78 119	79	119 626	81	125 302	81	133 902	9%	20%	10%	
Other	594	61 912	646	184 529	685	229 302	738	2	740	543 717	1 053	504 738	1 088	511 303	1 088	543 594	14%	(0%)	46%	
Total	2 039	708 008	2 481	838 730	2 696	912 381	2 654	41	2 695	1 041 942	3 254	1 130 365	3 291	1 174 590	3 312	1 259 627	7%	7%	100%	
Programme																				
1. Administration	294	160 195	367	184 058	409	203 019	365	41	406	236 821	474	206 688	476	218 035	497	231 787	7%	(1%)		
2. Public Works Infrastructure	1 718	455 115	2 054	538 183	2 232	659 272	2 235		2 235	724 838	2 714	779 889	2 749	830 029	2 749	887 691	7%	7%	70%	
3. Expanded Public Works Programme	27	92 698	60	116 489	55	50 090	54		54	80 283	66	143 808	66	126 526	66	140 149	7%	20%	10%	
Direct charges																	0%	0%	0%	
Total	2 039	708 008	2 481	838 730	2 696	912 381	2 654	41	2 695	1 041 942	3 254	1 130 365	3 291	1 174 590	3 312	1 259 627	7%	7%	100%	

The department is seeking to recruit more registered professionals in the construction and build environment, however, this has been a challenge as no candidates have responded to the department's adverts. Hence the department is using reputable recruitment agencies to source these candidates and offer them Market Related salaries. These candidates are taken for training on a regular basis, their annual professional registrations are paid for by the department to ensure their continuous development.

The department has recently appointed a task team to investigate the implementation of insourcing of Cleaning and Security services. The first meeting was held by this team to develop the Terms of Reference (TOR) and the structure of this task team. This will have an impact on the number of personnel and associated costs when it is finalised.

Over the MTEF, the department is anticipating filling critical posts whilst looking into reviewing the structure in line with IDMS.

9.2 Training

TABLE 15.13: INFORMATION ON TRAINING: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	2 039	2 481	2 696	2 695	2 695	2 695	3 254	3 291	3 312
Number of personnel trained	810	1 510	1 610	1 710	1 710	1 710	1 850	2 000	2 200
of which									
Male	49	695	741	787	787	787	995	1 070	1 185
Female	761	815	869	923	923	923	855	930	1 015
Number of training opportunities	1 070	1 490	1 230	1 350	1 350	1 350	1 167	1 281	1 593
of which									
Tertiary	70	80	80	90	90	90	70	80	90
Workshops	334	470	130	140	140	140	150	150	150
Seminars	333	470	110	120	120	120	150	100	150
Other	333	470	910	1 000	1 000	1 000	797	951	1 203
Number of bursaries offered	150	100	309	100	100	325	166	33	33
Number of interns appointed	120	130	130	140	140	179	169	15	15
Number of learnerships appointed	70	80	100	120	120	76	17	17	
Number of days spent on training									
Payments on training by programme									
1. Administration	6 782	5 934	6 528	7 181	7 181	9 969	10 604	10 954	11 741
2. Public Works Infrastructure	9 966	8 720	9 592	10 551	10 551				
3. Expanded Public Works Programme	7 062	6 173	6 790	7 469	7 469				
Total payments on training	23 810	20 827	22 910	25 201	25 201	9 969	10 604	10 954	11 741

The department is prioritising employee training and ensuring that critical posts are filled for the artisans and technical staff. Employees such as Handyman, Boiler Assistants and Storeman are currently being re-skilled through the departmental artisan development programme. The intention is to reskill these employees to become qualified artisans.

Due to the current budget constraints, the department has prioritised filling of posts that became vacant during the 2018/19 financial year, to avoid possible over expenditure on compensation of employees. This has resulted in the department releasing all bursary holders from their contractual obligation to work back the years of funding. This will enable the department to fill more posts over the MTEF. It is for the same reason that the department will be unable to increase the number of interns and learnerships over the MTEF until such time as funding is available for a new intake.

The department allocates 1 per cent of the wage bill to training of employees - which does not include bursaries for employees and internships & learnerships. For the 2018/19 financial year, the department has allocated an amount of R9.4 million, of which to date, the department has spent R7.2 million of the allocation. Over the MTEF the department has allocated R10.6 million, R10.9 million and R11.7 million respectively.

9.3 Reconciliation of structural changes

N/A

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 15.14: SPECIFICATION OF RECEIPTS: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	18 152	18 855	16 480	24 895	24 895	24 895	26 289	27 735	29 260
Sale of goods and services produced by department (excluding capital assets)	18 152	18 855	16 480	24 895	24 895	24 895	26 289	27 735	29 260
Sales by market establishments	18 152	18 855	16 480	24 895	24 895	24 895	26 289	27 735	29 260
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land	119	23	58						
Interest									
Dividends	119	23	58						
Sales of capital assets			14 385						
Other capital assets			14 385						
Transactions in financial assets and liabilities	2 002	1 230	705	655	655	655	692	730	770
Total departmental receipts	20 273	20 108	31 628	25 550	25 550	25 550	26 981	28 465	30 030

TABLE 15.15: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: INFRASTRUCTURE DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 480 663	1 667 259	2 028 512	1 991 828	1 961 016	1 965 766	2 187 215	2 306 198	2 461 290
Compensation of employees	708 008	838 730	912 381	1 033 479	1 033 479	1 041 942	1 130 365	1 174 590	1 259 627
Salaries and wages	639 492	750 277	806 436	945 070	945 070	918 414	1 036 988	1 076 077	1 152 970
Social contributions	68 516	88 453	105 945	88 409	88 409	123 528	93 377	98 513	106 657
Goods and services	766 295	828 203	1 115 701	957 549	926 736	922 832	1 055 850	1 130 541	1 200 537
Administrative fees	180	230	158	200	150	103	300	211	223
Advertising	8 273	5 016	5 127	3 000	3 000	1 648	3 300	3 000	2 165
Minor assets	3 015	1 919	400	1 000	849	93	2 700	1 739	1 780
Audit cost: External	5 579	5 582	6 591	8 000	8 000	8 307	11 000	11 605	12 243
Bursaries: Employees	4 873	1 833	7 606	7 000	7 000	1 970	4 400	1 000	
Catering: Departmental activities	9 374	2 199	1 269	101	290	327	700	317	335
Communication (G&S)	12 882	13 924	15 078	11 000	9 509	11 570	10 100	13 444	11 844
Computer services	5 718	17 297	10 384	14 522	12 522	5 241	13 200	13 000	11 841
Consultants and professional services: Business and advisory services	15 460	28 185	19 109		1 200	2 139			
Legal services	46 059	44 618	51 774	20 000	20 000	35 374	32 000	32 660	30 000
Contractors	11	195	6	1 000		2	3 000	3 000	3 000
Agency and support / outsourced services	248 501	306 541	250 777	177 196	179 827	182 402	181 769	194 265	211 884

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Entertainment									
Fleet services (including government motor transport)	38 691	29 699	26 502	37 100	38 588	37 560	38 195	36 057	37 364
Inventory: Clothing material and accessories	6 279	476	898	11 200	11 384	8 467	10 050	10 081	10 269
Inventory: Food and food supplies	44	9		30	19	5			
Inventory: Fuel, oil and gas				()					
Inventory: Learner and teacher support material	1			()					
Inventory: Materials and supplies	260	64	108	1	9	141			
Inventory: Medical supplies									
Inventory: Other supplies						57	400	422	
Consumable supplies	4 567	3 051	1 831	5 955	6 413	4 189	3 400	4 211	4 223
Consumable: Stationery, printing and office supplies	10 215	4 048	4 534	6 130	5 648	1 894	3 500	2 000	2 000
Operating leases	203 021	181 917	383 653	382 091	383 091	389 889	385 000	417 575	452 911
Property payments	120 221	158 141	307 761	246 383	216 086	209 847	326 794	356 453	378 054
Transport provided: Departmental activity	1 003	82	54	()		73	100	100	106
Travel and subsistence	10 458	12 091	13 754	15 650	13 164	13 051	14 190	17 412	17 547
Training and development	9 035	7 963	5 573	9 389	9 389	7 240	10 252	10 889	11 693
Operating payments	909	918	712	600	598	464	500	100	
Venues and facilities	1 666	2 205	2 042			779	1 000	1 000	1 055
Interest and rent on land	6 360	326	430	800	801	992	1 000	1 067	1 126
Interest	6 222	326	430	800	801	992	1 000	1 067	1 126
Rent on land	138								
Transfers and subsidies	682 843	727 118	710 057	907 444	907 073	905 167	1 059 204	1 121 511	1 186 611
Provinces and municipalities	679 060	717 417	703 868	901 394	901 394	901 394	1 054 375	1 117 931	1 183 359
Provinces	1								
Provincial agencies and funds	1								
Municipalities	679 059	717 417	703 868	901 394	901 394	901 394	1 054 375	1 117 931	1 183 359
Municipalities	679 059	717 417	703 868	901 394	901 394	901 394	1 054 375	1 117 931	1 183 359
Departmental agencies and accounts				4	4		4	4	4
Provide list of entities receiving transfers				4	4		4	4	4
Households	3 783	9 701	6 189	6 046	5 675	3 773	4 825	3 576	3 248
Social benefits	1 713	3 947	2 848	2 946	2 946	1 568	3 198	2 915	2 551
Other transfers to households	2 070	5 754	3 341	3 100	2 729	2 205	1 627	661	697
Payments for capital assets	251 898	152 035	117 156	137 693	168 875	165 845	219 421	56 123	34 617

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Buildings and other fixed structures	185 480	110 690	90 109	103 693	134 874	134 874	187 421	22 363	
Buildings	185 480	110 690	90 109	103 693	134 874	134 874	187 421	22 363	
Machinery and equipment	28 467	41 345	27 047	34 000	34 001	30 971	32 000	33 760	34 617
Other machinery and equipment	28 467	41 345	21 904	34 000	34 001	30 971	32 000	33 760	34 617
Software and other intangible assets	37 951								
Payments for financial assets	699	17 195	3 296			186			
Total economic classification	2 416 103	2 563 607	2 859 021	3 036 965	3 036 964	3 036 964	3 465 840	3 483 832	3 682 518

TABLE 15.16: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	398 680	402 926	312 796	288 288	288 658	336 805	304 160	312 563	322 475
Compensation of employees	160 195	184 058	203 019	195 708	195 708	236 821	206 668	218 035	231 787
Salaries and wages	143 855	162 358	179 909	173 915	173 916	209 223	183 655	193 756	206 172
Social contributions	16 340	21 700	23 110	21 792	21 792	27 598	23 013	24 279	25 615
Goods and services	232 263	218 723	109 643	92 081	92 449	99 927	96 992	93 989	90 119
Administrative fees	180	230	158	200	150	103	200	211	223
Advertising	7 629	4 502	5 070	3 000	3 000	1 648	3 300	3 000	2 165
Minor assets	2 604	1 168	115			1	500	528	557
Audit cost: External	5 579	5 582	6 591	8 000	8 000	8 307	11 000	11 605	12 243
Bursaries: Employees	4 873	1 833	7 606	7 000	7 000	1 970	4 400	1 000	
Catering: Departmental activities	9 179	2 012	1 185	101	290	266	500	106	112
Communication (G&S)	6 374	2 781	12 127	8 000	8 000	10 071	7 000	10 279	8 844
Computer services	5 703	17 289	10 372	13 000	12 000	5 226	13 000	13 000	11 841
Consultants and professional services: Business and advisory services	15 303	23 911	4 743		1 200	2 110			
Legal services	46 059	44 618	41 927	20 000	20 000	35 374	20 000	20 000	20 000
Contractors		195	6	1 000		2	3 000	3 000	3 000
Agency and support / outsourced services	97 468	90 779	92	()	1 230	8 994	2 600		
Fleet services (including government motor transport)	7 905	6 581	4 097	7 500	7 411	6 943	6 220	6 287	6 358
Inventory: Clothing material and accessories					36	1 498	250	264	56
Inventory: Food and food supplies	13	8		30	19	5			
Inventory: Fuel, oil and gas				()					
Inventory: Learner and teacher support material	1			()					
Inventory: Materials and supplies		29	1	1	9	8			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Inventory: Medical supplies									
Inventory: Other supplies							400	422	
Consumable supplies	859	591	137	3 129	3 131	1 300	2 000	2 000	2 000
Consumable: Stationery, printing and office supplies	6 638	2 769	3 907	5 080	4 709	1 473	3 500	2 000	2 000
Operating leases	2 912	1 958	2 593	4 000	5 000	4 663	5 000	5 275	5 565
Property payments		205				73			
Transport provided: Departmental activity	760	82	54	()		73	100	100	106
Travel and subsistence	1 637	1 481	1 499	2 550	1 825	1 778	2 770	2 923	2 301
Training and development	9 035	7 963	5 569	9 389	9 389	7 237	10 252	10 889	11 693
Operating payments	138	262	5	100	50	53		100	
Venues and facilities	1 414	1 894	1 789			751	1 000	1 000	1 055
Interest and rent on land	6 222	145	134	500	501	57	500	539	569
Interest	6 222	145	134	500	501	57	500	539	569
Rent on land									
Transfers and subsidies	2 221	6 378	3 595	4 271	3 900	2 213	2 471	804	848
Households	2 221	6 378	3 595	4 271	3 900	2 213	2 471	804	848
Social benefits	151	745	283	1 171	1 171	51	1 471	804	848
Other transfers to households	2 070	5 633	3 312	3 100	2 729	2 162	1 000		
Payments for capital assets	40 943	38 946	19 271	34 000	34 001	30 620	32 000	33 760	34 617
Machinery and equipment	25 709	38 946	19 271	34 000	34 001	30 620	32 000	33 760	34 617
Other machinery and equipment	25 709	38 946	18 116	34 000	34 001	30 620	32 000	33 760	34 617
Software and other intangible assets	15 234								
Payments for financial assets	698	1 195	496			186			
Total economic classification	442 542	449 445	336 158	326 559	326 559	369 824	338 631	347 127	357 940

TABLE 15.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PUBLIC WORKS INFRASTRUCTURE

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	804 707	963 188	1 433 200	1 385 892	1 354 711	1 370 958	1 552 258	1 664 267	1 777 732
Compensation of employees	455 115	538 183	659 272	706 421	706 421	724 838	779 889	830 029	887 691
Salaries and wages	404 591	473 428	577 975	656 680	656 680	631 092	727 346	774 596	826 484
Social contributions	50 524	64 755	81 297	49 741	49 741	93 746	52 543	55 433	61 207
Goods and services	349 454	424 824	773 632	679 171	647 990	645 185	771 869	833 710	889 484
Administrative fees							100		
Advertising	22	125	20						
Minor assets	411	751	275	1 000	849	92	2 200	1 211	1 223
Catering: Departmental activities	5	1	39			17			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Communication (G&S)	4 379	5 117	2 756	3 000	1 509	1 459	3 000	3 165	3 000
Computer services	15	8	12	1 522	522	15	200		
Consultants and professional services: Business and advisory services	157	4 274	14 366			29			
Legal services			9 847				12 000	12 660	10 000
Contractors	11								
Agency and support / outsourced services	53 371	39 515	19 522		1 400	1 655	2 000		
Entertainment									
Fleet services (including government motor transport)	29 005	22 009	21 781	28 500	30 077	29 110	29 875	28 715	29 893
Inventory: Clothing material and accessories	5 481	473	898	4 200	4 348	2 713	2 800	2 817	2 828
Inventory: Food and food supplies	31	1							
Inventory: Materials and supplies	260	35	107			133			
Consumable supplies	3 181	2 376	1 694	2 826	3 282	2 889	1 400	2 211	2 223
Consumable: Stationery, printing and office supplies	3 495	1 077	627	750	639	421			
Operating leases	120 109	179 959	381 060	378 091	378 091	385 226	380 000	412 300	447 346
Property payments	120 221	157 936	307 761	246 383	216 086	209 774	326 794	356 453	378 054
Travel and subsistence	8 493	10 370	12 156	12 399	10 639	11 210	11 000	14 178	14 917
Operating payments	771	656	707	500	548	411	500		
Venues and facilities	36	141				28			
Interest and rent on land	138	181	296	300	300	935	500	528	557
Interest		181	296	300	300	935	500	528	557
Rent on land	138								
Transfers and subsidies	680 622	720 731	706 462	903 057	903 057	902 953	1 056 617	1 120 507	1 185 552
Provinces and municipalities	679 060	717 417	703 868	901 394	901 394	901 394	1 054 375	1 117 931	1 183 359
Provinces	1								
Provincial agencies and funds	1								
Municipalities	679 059	717 417	703 868	901 394	901 394	901 394	1 054 375	1 117 931	1 183 359
Municipalities	679 059	717 417	703 868	901 394	901 394	901 394	1 054 375	1 117 931	1 183 359
Departmental agencies and accounts				4	4		4	4	4
Provide list of entities receiving transfers				4	4		4	4	4
Households	1 562	3 314	2 594	1 659	1 659	1 559	2 238	2 572	2 189
Social benefits	1 562	3 193	2 565	1 659	1 659	1 516	1 611	1 911	1 492
Other transfers to households		121	29			43	627	661	697
Payments for capital assets	192 134	112 979	97 363	103 693	134 874	135 225	187 421	22 363	

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Buildings and other fixed structures	185 480	110 690	90 109	103 693	134 874	134 874	187 421	22 363	
Buildings	185 480	110 690	90 109	103 693	134 874	134 874	187 421	22 363	
Machinery and equipment	2 743	2 289	7 254			351			
Other machinery and equipment	2 743	2 289	3 788			351			
Software and other intangible assets	3 911								
Payments for financial assets	1								
Total economic classification	1 677 464	1 796 898	2 237 025	2 392 642	2 392 642	2 409 136	2 796 296	2 807 137	2 963 284

TABLE 15.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: EXPANDED PUBLIC WORKS PROGRAMME

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	277 276	301 145	282 516	317 646	317 647	258 003	330 797	329 368	361 083
Compensation of employees	92 698	116 489	50 090	131 350	131 350	80 283	143 808	126 526	140 149
Salaries and wages	91 046	114 491	48 552	114 474	114 474	78 099	125 987	107 725	120 314
Social contributions	1 652	1 998	1 538	16 876	16 876	2 184	17 821	18 801	19 835
Goods and services	184 578	184 656	232 426	186 296	186 297	177 720	186 989	202 842	220 934
Advertising	622	389	37						
Catering: Departmental activities	190	186	45			44	200	211	223
Communication (G&S)	2 129	6 026	195			40	100		
Agency and support / outsourced services	97 662	176 247	231 163	177 196	177 197	171 753	177 169	194 265	211 884
Fleet services (including government motor transport)	1 781	1 109	624	1 100	1 100	1 507	2 100	1 055	1 113
Inventory: Clothing material and accessories	798	3		7 000	7 000	4 256	7 000	7 000	7 385
Inventory: Other supplies						57			
Consumable supplies	527	84							
Consumable: Stationery, printing and office supplies	82	202		300	300				
Operating leases	80 000								
Transport provided: Departmental activity	243								
Travel and subsistence	328	240	99	700	700	63	420	311	329
Operating payments									
Venues and facilities	216	170	253						
Transfers and subsidies		9		116	116	1	116	200	211
Households		9		116	116	1	116	200	211
Social benefits		9		116	116	1	116	200	211
Payments for capital assets	18 821	110	522						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Machinery and equipment	15	110	522						
Other machinery and equipment	15	110							
Software and other intangible assets	18 806								
Payments for financial assets		16 000	2 800						
Total economic classification	296 097	317 264	285 838	317 762	317 763	258 004	330 913	329 568	361 294

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