

Vote 3

Cooperative Governance and Traditional Affairs

Adjusted budget summary

2012/13				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	54 715 590	54 855 178	-	139 588
of which:				
Current payments	2 088 855	2 104 432	-	15 577
Transfers and subsidies	52 607 185	52 737 347	-	130 162
Payments for capital assets	19 550	13 311	(6 239)	-
Payments for financial assets	-	88	-	88
Executive authority	Minister of Cooperative Governance and Traditional Affairs			
Accounting officer	Director-General of Cooperative Governance			
Accounting officer	Director-General of Traditional Affairs			
Website address	www.cogta.gov.za			

Aim

Improve cooperative governance across the three spheres of government in partnership with institutions of traditional leadership, thereby ensuring that provinces and municipalities carry out their service delivery and development functions effectively.

Changes to programme purposes, objectives and measures

Programme 2: Policy, Research and Knowledge Management

Objectives and measures

To improve knowledge and information management in local government by developing and implementing a knowledge management strategy and providing ongoing knowledge and information support by March 2013.

Programme 6: Infrastructure and Economic Development

To provide support to provincial and local government programmes and systems to promote economic and infrastructure development.

Objectives and measures

Promote economic development within local government by supporting four district municipalities to establish Business Development Forums by March 2013.

Facilitate support to cooperatives by signing three Memorandum of Understanding agreements with sector departments and other institutions that support cooperatives by March 2013.

Ensure the progressive realisation of access to free basic services by supporting ten district municipalities in the rollout of the National Indigent Policy for free basic services by March 2013.

Promote employment and social development in the most marginalised communities by creating and maintaining public infrastructure through the Community Work Programme to provide 171 500 work opportunities by March 2013.

Promote greater ownership of environmental health outcomes within municipalities by coordinating the rollout of the Operation Clean Cities and Towns Programme in eight sites together with key stakeholders by March 2013.

Ensure access to basic services by providing specialised technical and management support to ten district municipalities facing challenges to meet government's 2014 targets with respect to households' access to basic services by March 2013.

Mid-year performance status

Indicator As published in the 2012 ENE	Programme Programme linked to the indicator	Projected for 2012/13 as published in the 2012 ENE	Annual performance	
			Achieved in the first six months of 2012/13 (April to September)	Changed estimate for 2012/13
Number of critical master system planned interventions implemented per year	Policy, Research and Knowledge management	2	0	-
Total number of municipalities with established municipal public accounts committees	Governance and Intergovernmental Relations	278	243	-
Total number of municipalities supported to implement a revised national framework on funding for ward committees	Governance and Intergovernmental Relations	70	81 ¹	-
Total number of fully functional disaster management centres (of 62) across the three spheres of government supported	Disaster Response Management	50	34 ¹	40
Number of smaller municipalities (of 136) supported to implement revised integrated development planning framework per year	Provincial and Municipal Government Systems	70	0	-
Number of provinces assessed on institutional capacity per year	Provincial and Municipal Government Systems	5	9	-
Number of provinces supported in community development programmes per year	Provincial and Municipal Government Systems	9	0	-
Value of municipalities' spending on municipal infrastructure grant per year	Infrastructure and Economic Development	R13.9bn	R5.08bn	-
Improve universal access to basic water services ³	Infrastructure and Economic Development	1.8 million	- ²	-
Improve universal access to basic sanitation services ⁴	Infrastructure and Economic Development	1 million	- ²	-
Number of additional households reached with road funded through Public Sector Programme per year	Infrastructure and Economic Development	1.4 million	- ²	-
Number of additional households reached with community lighting services funded through Public Sector Programme per year	Infrastructure and Economic Development	692 168	0	-
Number of work opportunities created through the community work programme per year	Infrastructure and Economic Development	162 000	94 977	165 000
Total number of municipalities (52 targeted municipalities) supported in implementing local economic development programmes per year	Infrastructure and Economic Development	25	15	10 ⁵
Total number of towns and cities implementing the Clean Cities and Towns Programme per year	Infrastructure and Economic Development	16	3	8
Number of traditional leadership disputes and claims cases processed per year	Traditional Affairs	150	139	-

1. These are cumulative figures.

2. These indicators will not be reported in this year's AENE as the achieved numbers have not yet been confirmed and verified by the department.

3. Measured by the number of additional persons provided with access to water per year.

4. Measured by the number of additional persons provided with access to sanitation per year.

5. This indicator now measures districts and will be amended in the 2013 ENE publication.

Changes to indicators and targets published in the 2012 ENE

The target for Disaster Response Management centres has been revised down from 50 to 40 for 2012/13. This is because the original estimate in the 2012 ENE was incorrectly based on a higher budget baseline. These performance numbers have now been amended accordingly, and resulted in a lower baseline.

The target for the number of work opportunities created through the Community Work Programme per year has been revised up from 162 000 to 165 000. This reflects an increase in the number of sites of the Community Work Programme, funded by the roll over allocation and a shift of funds from goods and services to compensation of employees (to pay for the extra staff needed in the new sites) in the adjustments budget.

The “number of traditional leadership disputes and claims processed per year” has changed from “number of traditional leadership disputes and claims finalised per year”. This is because a ruling can be overturned after disputes have been finalised by the court should the claimant dispute the outcome. Therefore, it is more accurate to describe the disputes and claims as being ‘processed’, rather than ‘finalised’.

Mid-year progress

In the same period under review, 34 Disaster Management Centres were functional and it is estimated that this number will be 40 by the end of the year.

The Community Work Programme has also performed strongly, with 95 000 opportunities being created in the first half of the year. This programme is in line to meet the revised target of 165 000 opportunities created.

There have been no critical master system planned interventions implemented so far. The Master System Plan (MSP) has been developed. The Department intends to implement one MSP intervention in the third and fourth quarter of the year. There has been no progress on the number of smaller municipalities (of 136) supported to implement the revised integrated development planning (IDP) framework, as the revised framework itself has not been approved by the Senior Management Committee in the Department. Once this approval has been received, the support can be provided. District IDP development framework guidelines have been developed so all the components are in place. There has been no achievement with regard to the number of provinces supported in community development programmes. There have been no additional households reached with community lighting services funded through the Public Sector Programme so far.

To date, the municipalities’ spending on municipal infrastructure grant has been 36.5 per cent of the annual target. This is in line with expectations given that plans must be submitted and analysed before the grant is transferred. Only three towns and cities have implemented the Clean Cities and Towns Programme, representing 18.8 per cent of the annual target. This is due to the limited capacity of the Department in rolling out this programme.

Adjusted Estimates of National Expenditure 2012

Programme	2012/13							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments			
R thousand								
Administration	201 402	–	–	–	–	(3 897)	(3 897)	197 505
Policy, Research and Knowledge Management	46 071	–	–	–	–	3 222	3 222	49 293
Governance and Intergovernmental Relations	37 981 926	130 628	–	–	(2 620)	1 955	129 963	38 111 889
Disaster Response Management	555 225	–	–	–	–	167	167	555 392
Provincial and Municipal Government Systems	284 726	–	–	–	–	452	452	285 178
Infrastructure and Economic Development	15 544 190	8 888	–	–	–	351	9 239	15 553 429
Traditional Affairs	102 050	–	–	–	–	442	442	102 492
Total	54 715 590	139 516	–	–	(2 620)	2 692	139 588	54 855 178

2012 Adjusted Estimates of National Expenditure

		2012/13							
		Adjustments appropriation					Total	Adjusted	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	adjustments appropriation	appropriation	
Economic classification									
Current payments	2 088 855	8 888	–	3 997	–	2 692	15 577	2 104 432	
Compensation of employees	255 392	–	–	32 312	–	2 692	35 004	290 396	
Goods and services	1 833 463	8 888	–	(28 315)	–	–	(19 427)	1 814 036	
Transfers and subsidies	52 607 185	130 628	–	2 154	(2 620)	–	130 162	52 737 347	
Provinces and municipalities	52 495 225	–	–	–	–	–	–	52 495 225	
Departmental agencies and accounts	101 315	–	–	–	–	–	–	101 315	
Non-profit institutions	10 645	–	–	–	(2 620)	–	(2 620)	8 025	
Households	–	130 628	–	2 154	–	–	132 782	132 782	
Payments for capital assets	19 550	–	–	(6 239)	–	–	(6 239)	13 311	
Machinery and equipment	18 550	–	–	(5 239)	–	–	(5 239)	13 311	
Software and other intangible assets	1 000	–	–	(1 000)	–	–	(1 000)	–	
Payments for financial assets	–	–	–	88	–	–	88	88	
Total	54 715 590	139 516	–	–	(2 620)	2 692	139 588	54 855 178	

Programme 1: Administration

		2012/13							
		Adjustments appropriation					Total	Adjusted	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other Adjustments	adjustments appropriation	appropriation	
Ministry	24 664	–	–	–	–	239	239	24 903	
Management	17 689	–	–	(100)	–	78	(22)	17 667	
Chief Operating Officer	21 980	–	–	–	–	(1 663)	(1 663)	20 317	
Corporate Services	40 805	–	–	–	–	(2 838)	(2 838)	37 967	
Financial Services	20 469	–	–	–	–	100	100	20 569	
Communication and Liaison	22 523	–	–	100	–	78	178	22 701	
Legislation Review and Drafting	11 426	–	–	–	–	59	59	11 485	
Internal Audit and Risk Management	11 411	–	–	–	–	50	50	11 461	
Office Accommodation	30 435	–	–	–	–	–	–	30 435	
Total	201 402	–	–	–	–	(3 897)	(3 897)	197 505	
Economic classification									
Current payments	196 522	–	–	(248)	–	(3 897)	(4 145)	192 377	
Compensation of employees	80 766	–	–	–	–	878	878	81 644	
Goods and services	115 756	–	–	(248)	–	(4 775)	(5 023)	110 733	
Transfers and subsidies	100	–	–	160	–	–	160	260	
Provinces and municipalities	100	–	–	–	–	–	–	100	
Households	–	–	–	160	–	–	160	160	
Payments for capital assets	4 780	–	–	–	–	–	–	4 780	
Machinery and equipment	4 780	–	–	–	–	–	–	4 780	
Payments for financial assets	–	–	–	88	–	–	88	88	
Total	201 402	–	–	–	–	(3 897)	(3 897)	197 505	

Programme 2: Policy, Research and Knowledge Management

Subprogramme	2012/13							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
R thousand								
Management: Research and Policy	3 032	–	–	150	–	18	168	3 200
Policy and Research Methods	8 530	–	–	–	–	49	49	8 579
Knowledge and Information Management	10 461	–	–	12	–	62	74	10 535
Information, Communication and Business Technology	24 048	–	–	(162)	–	3 093	2 931	26 979
Total	46 071	–	–	–	–	3 222	3 222	49 293
Economic classification								
Current payments	39 771	–	–	494	–	3 222	3 716	43 487
Compensation of employees	21 788	–	–	–	–	217	217	22 005
Goods and services	17 983	–	–	494	–	3 005	3 499	21 482
Payments for capital assets	6 300	–	–	(494)	–	–	(494)	5 806
Machinery and equipment	5 300	–	–	506	–	–	506	5 806
Software and other intangible assets	1 000	–	–	(1 000)	–	–	(1 000)	–
Total	46 071	–	–	–	–	3 222	3 222	49 293

Programme 3: Governance and Intergovernmental Relations

Subprogramme	2012/13							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
R thousand								
Management: Governance	3 032	–	–	–	–	1 792	1 792	4 824
Intergovernmental Relations Coordination	9 495	–	–	–	–	41	41	9 536
Intergovernmental Fiscal Relations	12 083	130 628	–	–	–	94	130 722	142 805
Governance and Public Participation	6 187	–	–	–	–	28	28	6 215
South African Local Government Association	26 726	–	–	–	–	–	–	26 726
Municipal Demarcation Board	40 362	–	–	–	–	–	–	40 362
South African Cities Network	5 540	–	–	–	–	–	–	5 540
United Cities and Local Government of Africa	5 105	–	–	–	(2 620)	–	(2 620)	2 485
Local Government Equitable Share	37 873 396	–	–	–	–	–	–	37 873 396
Total	37 981 926	130 628	–	–	(2 620)	1 955	129 963	38 111 889
Economic classification								
Current payments	30 777	–	–	–	–	1 955	1 955	32 732
Compensation of employees	18 478	–	–	–	–	185	185	18 663
Goods and services	12 299	–	–	–	–	1 770	1 770	14 069
Transfers and subsidies	37 951 129	130 628	–	–	(2 620)	–	128 008	38 079 137
Provinces and municipalities	37 873 396	–	–	–	–	–	–	37 873 396
Departmental agencies and accounts	67 088	–	–	–	–	–	–	67 088
Non-profit institutions	10 645	–	–	–	(2 620)	–	(2 620)	8 025
Households	–	130 628	–	–	–	–	130 628	130 628
Payments for capital assets	20	–	–	–	–	–	–	20
Machinery and equipment	20	–	–	–	–	–	–	20
Total	37 981 926	130 628	–	–	(2 620)	1 955	129 963	38 111 889

Programme 4: Disaster Response Management

Subprogramme	2012/13							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other Adjustments		
R thousand								
Management: Head of Disaster	2 930	-	-	60	-	34	94	3 024
Legislation, Policy and Compliance Management	7 228	-	-	40	-	39	79	7 307
Planning Coordination and Support	9 862	-	-	2 880	-	47	2 927	12 789
Intelligence and Information Systems Management	25 205	-	-	(2 980)	-	47	(2 933)	22 272
Disaster Relief Transfers	510 000	-	-	-	-	-	-	510 000
Total	555 225	-	-	-	-	167	167	555 392
Economic classification								
Current payments	43 075	-	-	(29)	-	167	138	43 213
Compensation of employees	15 072	-	-	-	-	167	167	15 239
Goods and services	28 003	-	-	(29)	-	-	(29)	27 974
Transfers and subsidies	510 000	-	-	29	-	-	29	510 029
Provinces and municipalities	510 000	-	-	-	-	-	-	510 000
Households	-	-	-	29	-	-	29	29
Payments for capital assets	2 150	-	-	-	-	-	-	2 150
Machinery and equipment	2 150	-	-	-	-	-	-	2 150
Total	555 225	-	-	-	-	167	167	555 392

Programme 5: Provincial and Municipal Government Systems

Subprogramme	2012/13							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other Adjustments		
R thousand								
Management: Provincial and Local Government Support	26 817	-	-	(52)	-	272	220	27 037
Provincial Government Support and Intervention	9 011	-	-	-	-	46	46	9 057
Local Government Support and Intervention	10 298	-	-	-	-	65	65	10 363
Development Planning	8 504	-	-	52	-	69	121	8 625
Municipal Systems Improvement Grant	230 096	-	-	-	-	-	-	230 096
Total	284 726	-	-	-	-	452	452	285 178
Economic classification								
Current payments	54 630	-	-	(55)	-	452	397	55 027
Compensation of employees	43 842	-	-	-	-	452	452	44 294
Goods and services	10 788	-	-	(55)	-	-	(55)	10 733
Transfers and subsidies	230 096	-	-	-	-	-	-	230 096
Provinces and municipalities	230 096	-	-	-	-	-	-	230 096
Payments for capital assets	-	-	-	55	-	-	55	55
Machinery and equipment	-	-	-	55	-	-	55	55
Total	284 726	-	-	-	-	452	452	285 178

Programme 6: Infrastructure and Economic Development

Subprogramme	2012/13							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other Adjustments		
R thousand								
Management: Infrastructure	3 032	-	-	-	-	21	21	3 053
Local Economic Development Planning	9 812	-	-	-	-	56	56	9 868
Infrastructure Development	13 243	-	-	-	-	81	81	13 324
Municipal Infrastructure Grant	13 881 633	-	-	-	-	-	-	13 881 633
Community Work Programme	1 439 877	8 888	-	-	-	112	9 000	1 448 877
Special Purpose Vehicle	196 593	-	-	-	-	81	81	196 674
Total	15 544 190	8 888	-	-	-	351	9 239	15 553 429

Programme 6: Infrastructure and Economic Development (continued)

R thousand	2012/13							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
Economic classification								
Current payments	1 656 607	8 888	–	5 800	–	351	15 039	1 671 646
Compensation of employees	35 109	–	–	32 312	–	351	32 663	67 772
Goods and services	1 621 498	8 888	–	(26 512)	–	–	(17 624)	1 603 874
Transfers and subsidies	13 881 633	–	–	–	–	–	–	13 881 633
Provinces and municipalities	13 881 633	–	–	–	–	–	–	13 881 633
Payments for capital assets	5 950	–	–	(5 800)	–	–	(5 800)	150
Machinery and equipment	5 950	–	–	(5 800)	–	–	(5 800)	150
Total	15 544 190	8 888	–	–	–	351	9 239	15 553 429

Programme 7: Traditional Affairs

Subprogramme	2012/13							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
R thousand								
Management: Head of Traditional Affairs	10 019	–	–	–	–	101	101	10 120
Policy and Legislation for Traditional Affairs	12 347	–	–	–	–	108	108	12 455
Institutional Support and Coordination	12 985	–	–	–	–	109	109	13 094
National House of Traditional Leaders	21 094	–	–	–	–	73	73	21 167
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	34 227	–	–	–	–	–	–	34 227
Commission on Traditional Leadership Disputes and Claims	11 378	–	–	–	–	51	51	11 429
Total	102 050	–	–	–	–	442	442	102 492
Economic classification								
Current payments	67 473	–	–	(1 965)	–	442	(1 523)	65 950
Compensation of employees	40 337	–	–	–	–	442	442	40 779
Goods and services	27 136	–	–	(1 965)	–	–	(1 965)	25 171
Transfers and subsidies	34 227	–	–	1 965	–	–	1 965	36 192
Departmental agencies and accounts	34 227	–	–	–	–	–	–	34 227
Households	–	–	–	1 965	–	–	1 965	1 965
Payments for capital assets	350	–	–	–	–	–	–	350
Machinery and equipment	350	–	–	–	–	–	–	350
Total	102 050	–	–	–	–	442	442	102 492

Details of adjustments to Estimates of National Expenditure 2012**Roll-overs – R139.516 million**

Programme 3: Governance and Intergovernmental Relations

R130.628 million has been rolled over to pay councillors whose term ended after the 18 May 2011 elections, a once-off gratuity.

Programme 6: Infrastructure and Economic Development

R8.888 million for project administration and payment of community wages through implementing agents in the Community Work Programme.

Virements and shifts

Programme

1. Administration
2. Policy, Research and Knowledge Management
3. Governance and Intergovernmental Relations
4. Disaster Response Management
5. Provincial and Municipal Government Systems
6. Infrastructure and Economic Development
7. Traditional Affairs

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(248)	Programme 1		248
Goods and services	Savings on agency services	(160)	Households	For leave gratuities	160
	Savings on agency services ¹	(88)	Payments for financial assets	For theft and losses	88
Shifts within the programme as percentage of programme budget		0.1%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 2		(1 000)	Programme 2		1 000
Software and other intangible assets	Reprioritisation of funds	(494)	Goods and services	For purchase of assets less than R5 000	494
	Reprioritisation of funds	(344)	Machinery and equipment	For computer Infrastructure	344
	Reprioritisation of funds	(162)	Machinery and equipment	For computer Infrastructure	162
Shifts within the programme as percentage of programme budget		2.2%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 4		(29)	Programme 4		29
Goods and services	Reduction on travel and subsistence	(29)	Households	For leave gratuities	29
Shifts within the programme as percentage of programme budget		0.0%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 5		(55)	Programme 5		55
Goods and services	Reduction on catering ¹	(55)	Machinery and equipment	For computer equipment	55
Shifts within the programme as percentage of programme budget		0.0%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 6		(38 112)	Programme 6		38 112
Goods and services	Reprioritisation of funds	(32 312)	Compensation of employees	For capacity to support programme	32 312
Machinery and equipment	Budget realignment on capital assets ¹	(5 800)	Goods and services	For purchase of assets less than R5 000 and other operational expenditure	5 800
Shifts within the programme as percentage of programme budget		0.2%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 7		(1 965)	Programme 7		1 965
Goods and services	Reduction on consultant services and travel and subsistence ²	(1 965)	Households	Ex-gratia payments to former committee members	1 965
Shifts within the programme as percentage of programme budget		1.9%			
Virements to other programmes as percentage of programme budget		0.0%			
Total		(41 409)			41 409

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

Declared savings - R2.620 million

Programme 3: Governance and Intergovernmental Relations

Savings of R2.620 million have been declared on the transfer payment to the United Cities and Local Governments of Africa.

Other adjustments – R2.692 million

Adjustment due to significant and unforeseeable economic and financial events

Additional funding of R2.692 million has been allocated for higher personnel remuneration than the main budget provided for, as follows:

Programme 1: Administration

R878 000

Programme 2: Policy Research and Knowledge Management

R217 000

Programme 3: Governance and Intergovernmental Relations

R185 000

Programme 4: Disaster Response

R167 000

Programme 5: Provincial and Municipal Government Systems

R452 000

Programme 6: Infrastructure and Economic Development

R351 000

Programme 7: Traditional Affairs

R442 000

Funds shifted within a vote following a function shift within the same vote

Programme 1: Administration to Programme 2: Policy: Research and Knowledge Management

R3.005 million will be provided from programme 1 to programme 2 following a shift of the Telecommunication function.

Programme 1: Administration to Programme 3: Governances and Intergovernmental Relations

R1.770 million will be provided from programme 1 to programme 3 following the function shift of the Operation Clean Audit.

Gifts, donations and sponsorships – R185 000

Programme 7: Traditional Affairs

R185 000 will be given to the Kingships as financial support towards the promotion of cultural events, and the hosting and meeting with their Southern African Development Community counterparts for the commemoration of historical traditional/indigenous leaders and the preservation of cultural practices.

Expenditure for 2011/12 and preliminary expenditure for 2012/13

Programme	2011/12 Expenditure outcome					2012/13 Preliminary expenditure		
	Adjusted appropriation	Apr 11 - Sep 11	% of adjusted appropriation	Apr 11 - Mar 12	% of adjusted appropriation	Adjusted appropriation	Apr 12 - Sep 12	% of adjusted appropriation
R thousand								
Administration	205 369	81 418	39.6	206 081	100.3	197 505	83 682	42.4
Policy, Research and Knowledge Management	41 506	13 003	31.3	37 935	91.4	49 293	21 277	43.2
Governance and Intergovernmental Relations	34 476 567	13 950 701	40.5	33 270 754	96.5	38 111 889	15 811 303	41.5
Disaster Response Management	816 232	14 878	1.8	80 658	9.9	555 392	35 296	6.4
Provincial and Municipal Government Systems	249 861	145 929	58.4	252 411	101.0	285 178	260 243	91.3
Infrastructure and Economic Development	12 331 358	4 808 898	39.0	12 285 148	99.6	15 553 429	5 318 996	34.2
Traditional Affairs	83 769	37 877	45.2	88 577	105.7	102 492	52 828	51.5
Total	48 204 662	19 052 704	39.5	46 221 564	95.9	54 855 178	21 583 625	39.3
Economic classification								
Current payments	727 414	269 047	37.0	661 061	90.9	2 104 432	417 328	19.8
Compensation of employees	248 809	113 743	45.7	234 987	94.4	290 396	128 513	44.3
Goods and services	478 605	155 304	32.4	425 993	89.0	1 814 036	288 815	15.9
Interest and rent on land	–	–	0.0	81	0.0	–	–	0.0
Transfers and subsidies	47 456 969	18 781 034	39.6	45 551 033	96.0	52 737 347	21 162 851	40.1
Provinces and municipalities	46 546 716	18 590 052	39.9	44 884 236	96.4	52 495 225	21 104 290	40.2
Departmental agencies and accounts	86 346	33 388	38.7	86 346	100.0	101 315	57 900	57.1
Foreign governments and international organisations	–	208	0.0	208	0.0	–	–	0.0
Public corporations and private enterprises	153 649	–	0.0	179 678	116.9	–	279	0.0
Non-profit institutions	10 164	1 798	17.7	5 716	56.2	8 025	–	0.0
Households	660 094	155 588	23.6	394 849	59.8	132 782	382	0.3
Payments for capital assets	19 779	2 233	11.3	8 277	41.8	13 311	3 437	25.8
Machinery and equipment	18 019	2 233	12.4	8 277	45.9	13 311	3 437	25.8
Software and other intangible assets	1 760	–	0.0	–	0.0	–	–	0.0
Payments for financial assets	500	390	78	1 193	239	88	9	10
Total	48 204 662	19 052 704	39.5	46 221 564	95.9	54 855 178	21 583 625	39.3

Main expenditure trends for the first half of 2012/13

Total expenditure for 2011/12 was 95.9 per cent of the 2011/12 adjusted appropriation. Expenditure in the first six months of 2012/13 was R21.584 billion, or 39.3 per cent of the adjusted appropriation of R54.855 billion for the year as a whole. In comparison, mid-year expenditure in 2011/12 was R19.053 billion, or 39.5 per cent of the 2011/12 adjusted appropriation. Expenditure in the first six months of 2012/13 increased by R2.531 billion or 13.3 per cent, compared to expenditure in the first six months of 2011/12.

The main expenditure increase compared to 2011/12 is due to an increase in conditional grants and Community Work Programme allocations.

Departmental receipts

R thousand	2011/12					2012/13			
	Adjusted estimate	Audited outcome			Budget estimate	Actual receipts			
		Apr 11 - Sep 11	Apr 11 - Sep 11 adjusted estimate	Apr 11 - Mar 12		Apr 11 - Mar 12 adjusted estimate	Adjusted estimate	Apr 12 - Sep 12	Apr 12 - Sep 12 adjusted estimate
Departmental receipts	633	291	46.0	1 092	172.5	641	641	95	14.8
Sales of goods and services produced by department	150	79	52.7	158	105.3	155	155	78	50.3
Sales of scrap, waste, arms and other used current goods	18	1	5.6	2	11.1	22	22	1	4.5
Interest, dividends and rent on land	3	2	66.7	2	66.7	4	4	-	-
Sales of capital assets	-	151	-	151	-	-	-	-	-
Transactions in financial assets and liabilities	462	58	12.6	779	168.6	460	460	16	3.5
Total	633	291	46.0	1 092	172.5	641	641	95	14.8

Main departmental revenue trends for the first half of 2012/13

Departmental revenue collection in the first six months of 2012/13 was R95 000, or 14.8 per cent of the adjusted revenue estimate of R641 000 for the year as a whole. In comparison, mid-year revenue collection in 2011/12 was R291 000 or 46 per cent of the 2011/12 adjusted estimate. Departmental revenue collection in the first six months of 2012/13 decreased by R196 000 or 67.4 per cent, compared to revenue in the first six months of 2011/12.

The main revenue decrease compared to 2011/12 is due to the sale of a motor vehicle in the previous financial year.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2012/13							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
Administration								
Households								
Social benefits								
Current	-	-	-	160	-	-	160	160
Employee social benefits	-	-	-	160	-	-	160	160
Governance and Intergovernmental Relations								
Non-profit institutions								
Current	5 105	-	-	-	(2 620)	-	(2 620)	2 485
United Cities and Local Government of Africa	5 105	-	-	-	(2 620)	-	(2 620)	2 485
Households								
Social benefits								
Current	-	130 628	-	-	-	-	130 628	130 628
Municipal councillors pension fund	-	130 628	-	-	-	-	130 628	130 628
Disaster Response Management								
Households								
Other transfers to households								
Current	-	-	-	29	-	-	29	29
Employee social benefits	-	-	-	29	-	-	29	29

Summary of changes to transfers and subsidies per programme (continued)

		2012/13						
		Adjustments appropriation					Total	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	adjustments appropriation	Adjusted appropriation
Traditional Affairs								
Households								
Other transfers to households								
	Current	-	-	1 965	-	-	1 965	1 965
	Traditional Leaders: Act of grace	-	-	1 965	-	-	1 965	1 965