

## Water Affairs

### Adjusted budget summary

R thousand	2013/14			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>10 186 963</b>	<b>10 375 554</b>	–	188 591
<b>of which:</b>				
Current payments	2 694 426	2 707 444	–	13 018
Transfers and subsidies	3 916 370	3 918 112	–	1 742
Payments for capital assets	3 576 167	3 749 998	–	173 831
Executive authority	Minister of Water and Environmental Affairs			
Accounting officer	Director-General of Water Affairs			
Website address	www.dwa.gov.za			

### Aim

*Ensure the availability and supply of water at national level, facilitate equitable and sustainable social and economic development, and ensure the universal and efficient supply of water services at local level.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2013/14 as published in the 2013 ENE	Achieved in the first six months of 2013/14 (April to September)	Changed target for 2013/14
Number of new reconciliation strategies developed to ensure water security per year	Water Sector Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1	0	–
Total number of gauging sites monitored	Water Sector Management	Outcome 10: Environmental assets and natural resources that are valued, protected and continually enhanced	1 509	1 259	–
Number of additional people provided with access to water per year	Regional Implementation and Support	Outcome 9: A responsive, accountable, effective and efficient local government system	1 million	320 000	–
Number of new bulk infrastructure schemes completed per year	Regional Implementation and Support	Outcome 6: An efficient, competitive and responsive economic infrastructure network	12	8	–
Number of rainwater harvesting tanks installed for access to water and food production per year	Regional Implementation and Support	Outcome 9: A responsive, accountable, effective and efficient local government system	2 400	1 046	–
Number of additional resource poor farmers supported with access to water per year	Regional Implementation and Support	Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all	880	306	–
Number of municipalities supported to implement water conservation and water demand management per year	Regional Implementation and Support	Outcome 9: A responsive, accountable, effective and efficient local government system	71	38	–

Indicator	Programme	Outcome	Annual performance		
			Projected for 2013/14 as published in the 2013 ENE	Achieved in the first six months of 2013/14 (April to September)	Changed target for 2013/14
Percentage completed on construction of Inyaka water treatment works as stated in the original and approved project implementation plan	Regional Implementation and Support	Outcome 6: An efficient, competitive and responsive economic infrastructure network	100%	99%	-
Percentage completed on construction of Nandoni water distribution network and water treatment works as stated in the original and approved project implementation plan	Regional Implementation and Support		100%	87%	-
Percentage completed on construction of Nandoni distribution replacement of glass reinforced plastic pipeline as stated in the original and approved implementation plan	Regional Implementation and Support		100%	85%	-
Percentage completed on construction of Groot Letaba water augmentation project water distribution network and water treatment works as stated in the original and approved project implementation plan	Regional Implementation and Support		25%	10%	-
Percentage completed on construction of Hluhluwe regional water scheme as stated in the original and approved project implementation plan	Regional Implementation and Support		- <sup>1</sup>	99.5%	-
Percentage of construction of the pipeline from Middle Letaba dam as stated in the original and approved project implementation plan	Regional Implementation and Support		- <sup>1</sup>	100%	-
Total number of wastewater treatment collector systems assessed for compliance with effluent standards	Water Sector Regulation		Outcome 10: Environmental assets and natural resources that are valued, protected and continually enhanced	960	0
Total number of water treatment supply systems assessed for compliance with drinking water quality standards	Water Sector Regulation	950		0	-
Number of new catchment areas in which compulsory licensing processes have been completed per year	Water Sector Regulation	2		1	-
Number of strategic new partnerships established with countries in Africa	International Water Cooperation	2		1	-
		Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world			

<sup>1</sup> These indicators did not have annual targets as the projects were due to be completed in 2013/14.

### Mid-year progress

In preparation for the development of the reconciliation strategy to ensure water security, a draft report on water requirements was compiled in the first six months of 2013/14. The department is on track to complete the reconciliation strategy by 31 March 2014. Based on the available funding and reports relating to the municipal infrastructure grant, it is estimated that 79 900 households (320 000 people) received an improved water supply in the first two quarters of the year. It is important to note that both the department and municipalities contribute to achievement of this target.

Considerable progress has been made in the construction of the Nandoni water distribution network and water treatment works, which include reservoirs, landscaping, pump stations, mechanical and electrical

installations, and pipelines. The progress on replacement of the glass reinforced plastic pipeline is on track for completion by the end of this financial year. Construction of the Groot Letaba water augmentation project water distribution network and water treatment works is on track and the completed 10 per cent includes construction of betterments to the Nkambako water treatment works, repairs of existing bulk water pipelines, and delivery of steel pipes for the new Babanana pipeline. The construction of the Hluhluwe regional water scheme is at 99.5 per cent completion.

No assessments of wastewater treatment collector and supply systems have been completed to date, as they are scheduled to be assessed in the third and fourth quarters of the year. However, the department expects the annual targets to be achieved by the end of 2013/14.

## Adjusted Estimates of National Expenditure 2013

Programme	2013/14							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	978 606	-	-	-	-	-	-	978 606
Water Sector Management	516 366	-	-	1 000	-	-	1 000	517 366
Water Infrastructure Management	2 565 203	-	-	-	-	-	-	2 565 203
Regional Implementation and Support	5 982 684	188 036	-	-	-	555	188 591	6 171 275
Water Sector Regulation	118 691	-	-	(1 000)	-	-	(1 000)	117 691
International Water Cooperation	25 413	-	-	-	-	-	-	25 413
<b>Total</b>	<b>10 186 963</b>	<b>188 036</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>555</b>	<b>188 591</b>	<b>10 375 554</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 694 426</b>	<b>21 543</b>	<b>-</b>	<b>(9 080)</b>	<b>-</b>	<b>555</b>	<b>13 018</b>	<b>2 707 444</b>
Compensation of employees	1 227 209	-	-	(45 690)	-	-	(45 690)	1 181 519
Goods and services	1 465 114	21 543	-	38 493	-	555	60 591	1 525 705
Interest and rent on land	2 103	-	-	(1 883)	-	-	(1 883)	220
<b>Transfers and subsidies</b>	<b>3 916 370</b>	<b>-</b>	<b>-</b>	<b>1 742</b>	<b>-</b>	<b>-</b>	<b>1 742</b>	<b>3 918 112</b>
Provinces and municipalities	1 024 029	-	-	77	-	-	77	1 024 106
Departmental agencies and accounts	2 431 547	-	-	-	-	-	-	2 431 547
Foreign governments and international organisations	188 624	-	-	-	-	-	-	188 624
Public corporations and private enterprises	250 000	-	-	-	-	-	-	250 000
Non-profit institutions	-	-	-	740	-	-	740	740
Households	22 170	-	-	925	-	-	925	23 095
<b>Payments for capital assets</b>	<b>3 576 167</b>	<b>166 493</b>	<b>-</b>	<b>7 338</b>	<b>-</b>	<b>-</b>	<b>173 831</b>	<b>3 749 998</b>
Buildings and other fixed structures	3 475 584	166 493	-	-	-	-	166 493	3 642 077
Machinery and equipment	93 239	-	-	7 088	-	-	7 088	100 327
Software and other intangible assets	7 344	-	-	250	-	-	250	7 594
<b>Total</b>	<b>10 186 963</b>	<b>188 036</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>555</b>	<b>188 591</b>	<b>10 375 554</b>

**Programme 1: Administration**

Subprogramme	2013/14							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	42 194	-	-	-	-	-	-	42 194
Departmental Management	65 099	-	-	(20 350)	-	-	(20 350)	44 749
Internal Audit	24 673	-	-	-	-	-	-	24 673
Corporate Services	362 145	-	-	20 350	-	-	20 350	382 495
Financial Management	141 805	-	-	-	-	-	-	141 805
Office Accommodation	342 690	-	-	-	-	-	-	342 690
<b>Total</b>	<b>978 606</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>978 606</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>947 584</b>	<b>-</b>	<b>-</b>	<b>(1 240)</b>	<b>-</b>	<b>-</b>	<b>(1 240)</b>	<b>946 344</b>
Compensation of employees	338 904	-	-	(6 500)	-	-	(6 500)	332 404
Goods and services	608 590	-	-	5 260	-	-	5 260	613 850
Interest and rent on land	90	-	-	-	-	-	-	90
<b>Transfers and subsidies</b>	<b>15 564</b>	<b>-</b>	<b>-</b>	<b>740</b>	<b>-</b>	<b>-</b>	<b>740</b>	<b>16 304</b>
Departmental agencies and accounts	2 504	-	-	-	-	-	-	2 504
Households	13 060	-	-	-	-	-	-	13 060
<b>Payments for capital assets</b>	<b>15 458</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>15 958</b>
Machinery and equipment	12 105	-	-	250	-	-	250	12 355
Software and other intangible assets	3 353	-	-	250	-	-	250	3 603
<b>Total</b>	<b>978 606</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>978 606</b>

**Programme 2: Water Sector Management**

Subprogramme	2013/14							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Policy and Planning Management and Support	5 096	-	-	-	-	-	-	5 096
Integrated Planning	157 877	-	-	23 339	-	-	23 339	181 216
Policy and Strategy	31 798	-	-	10 031	-	-	10 031	41 829
Water Ecosystem	39 057	-	-	-	-	-	-	39 057
Water Information Management	173 924	-	-	(19 639)	-	-	(19 639)	154 285
Institutional Oversight	108 614	-	-	(12 731)	-	-	(12 731)	95 883
<b>Total</b>	<b>516 366</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>517 366</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>426 633</b>	<b>-</b>	<b>-</b>	<b>104</b>	<b>-</b>	<b>-</b>	<b>104</b>	<b>426 737</b>
Compensation of employees	203 223	-	-	(12 027)	-	-	(12 027)	191 196
Goods and services	223 129	-	-	12 412	-	-	12 412	235 541
Interest and rent on land	281	-	-	(281)	-	-	(281)	-
<b>Transfers and subsidies</b>	<b>51 839</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51 839</b>
Departmental agencies and accounts	51 839	-	-	-	-	-	-	51 839
<b>Payments for capital assets</b>	<b>37 894</b>	<b>-</b>	<b>-</b>	<b>896</b>	<b>-</b>	<b>-</b>	<b>896</b>	<b>38 790</b>
Buildings and other fixed structures	28 229	-	-	-	-	-	-	28 229
Machinery and equipment	7 005	-	-	896	-	-	896	7 901
Software and other intangible assets	2 660	-	-	-	-	-	-	2 660
<b>Total</b>	<b>516 366</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>517 366</b>

**Programme 4: Regional Implementation and Support**

Subprogramme	2013/14							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Regional Management and Support	8 090	–	–	(1 500)	–	–	(1 500)	6 590
Water Sector Support	1 072 037	21 543	–	(21 025)	–	555	1 073	1 073 110
Water Use and Regulation	295 151	–	–	17 229	–	–	17 229	312 380
Institutional Establishment	34 019	–	–	11 994	–	–	11 994	46 013
Regional Bulk	3 288 338	58 000	–	–	–	–	58 000	3 346 338
Transfer of Water Schemes	579 976	–	–	(7 000)	–	–	(7 000)	572 976
Support Services	341 900	–	–	17 541	–	–	17 541	359 441
Water Services Projects	190 453	–	–	–	–	–	–	190 453
Integrated Catchment Management	22 720	–	–	(17 239)	–	–	(17 239)	5 481
Mine Water Management	150 000	108 493	–	–	–	–	108 493	258 493
<b>Total</b>	<b>5 982 684</b>	<b>188 036</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>555</b>	<b>188 591</b>	<b>6 171 275</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 178 207</b>	<b>21 543</b>	<b>–</b>	<b>(5 568)</b>	<b>–</b>	<b>555</b>	<b>16 530</b>	<b>1 194 737</b>
Compensation of employees	611 700	–	–	(20 826)	–	–	(20 826)	590 874
Goods and services	564 905	21 543	–	16 860	–	555	38 958	603 863
Interest and rent on land	1 602	–	–	(1 602)	–	–	(1 602)	–
<b>Transfers and subsidies</b>	<b>1 283 139</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>1 284 141</b>
Provinces and municipalities	1 024 029	–	–	77	–	–	77	1 024 106
Public corporations and private enterprises	250 000	–	–	–	–	–	–	250 000
Households	9 110	–	–	925	–	–	925	10 035
<b>Payments for capital assets</b>	<b>3 521 338</b>	<b>166 493</b>	<b>–</b>	<b>4 566</b>	<b>–</b>	<b>–</b>	<b>171 059</b>	<b>3 692 397</b>
Buildings and other fixed structures	3 447 355	166 493	–	–	–	–	166 493	3 613 848
Machinery and equipment	72 656	–	–	4 566	–	–	4 566	77 222
Software and other intangible assets	1 327	–	–	–	–	–	–	1 327
<b>Total</b>	<b>5 982 684</b>	<b>188 036</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>555</b>	<b>188 591</b>	<b>6 171 275</b>

**Programme 5: Water Sector Regulations**

Subprogramme	2013/14							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Regulation Management and Support	3 567	–	–	(1 000)	–	–	(1 000)	2 567
Economic and Social Regulation	3 846	–	–	(2 846)	–	–	(2 846)	1 000
Water Use Authorisation	15 805	–	–	7 127	–	–	7 127	22 932
Drinking Water Quality and Waste Water Services	28 724	–	–	(131)	–	–	(131)	28 593
Resource Regulation	47 979	–	–	(4 150)	–	–	(4 150)	43 829
Compliance Monitoring	1 080	–	–	–	–	–	–	1 080
Enforcement	17 690	–	–	–	–	–	–	17 690
<b>Total</b>	<b>118 691</b>	<b>–</b>	<b>–</b>	<b>(1 000)</b>	<b>–</b>	<b>–</b>	<b>(1 000)</b>	<b>117 691</b>

**Programme 5: Water Sector Regulations (continued)**

		2013/14						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Economic classification</b>								
<b>Current payments</b>	<b>117 214</b>	-	-	(1 182)	-	-	(1 182)	<b>116 032</b>
Compensation of employees	59 789	-	-	(6 337)	-	-	(6 337)	53 452
Goods and services	57 365	-	-	5 155	-	-	5 155	62 520
Interest and rent on land	60	-	-	-	-	-	-	60
<b>Payments for capital assets</b>	<b>1 477</b>	-	-	<b>182</b>	-	-	<b>182</b>	<b>1 659</b>
Machinery and equipment	1 473	-	-	182	-	-	182	1 655
Software and other intangible assets	4	-	-	-	-	-	-	4
<b>Total</b>	<b>118 691</b>	-	-	<b>(1 000)</b>	-	-	<b>(1 000)</b>	<b>117 691</b>

**Programme 6: International Water Cooperation**

		2013/14						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Subprogramme</b>								
International Relation Management and Support	4 538	-	-	-	-	-	-	4 538
Africa Cooperation	10 899	-	-	-	-	-	-	10 899
Global Cooperation	9 976	-	-	-	-	-	-	9 976
<b>Total</b>	<b>25 413</b>	-	-	-	-	-	-	<b>25 413</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>24 788</b>	-	-	(1 194)	-	-	(1 194)	<b>23 594</b>
Compensation of employees	13 593	-	-	-	-	-	-	13 593
Goods and services	11 125	-	-	(1 194)	-	-	(1 194)	9 931
Interest and rent on land	70	-	-	-	-	-	-	70
<b>Transfers and subsidies</b>	<b>625</b>	-	-	-	-	-	-	<b>625</b>
Departmental agencies and accounts	2	-	-	-	-	-	-	2
Foreign governments and international organisations	623	-	-	-	-	-	-	623
<b>Payments for capital assets</b>	-	-	-	<b>1 194</b>	-	-	<b>1 194</b>	<b>1 194</b>
Machinery and equipment	-	-	-	1 194	-	-	1 194	1 194
<b>Total</b>	<b>25 413</b>	-	-	-	-	-	-	<b>25 413</b>

**Details of Adjustments to the Estimates of National Expenditure 2013****Roll-overs – R188.036 million**

Funds have been rolled over as follows:

Programme 4: Regional Implementation and Support

R58 million for regional bulk infrastructure

R108.493 million for acid mine drainage

R21.543 million for the integrated biological remediation programme at Hartebeespoort Dam.

**Appropriation of expenditure earmarked in the 2013 Budget speech for future allocation**

R555 000 has been approved for the post-disaster reparation of water infrastructure measuring instruments (gauging structures used for measuring water) and structural damage (cracked or washed walls in the rivers) caused by floods in the Eden district municipality of the Western Cape.

**Virements and shifts**

<b>Programmes</b>					
1. Administration					
2. Water Sector Management					
3. Water Infrastructure Management					
4. Regional Implementation and Support					
5. Water Sector Regulation					
6. International Water Cooperation					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>			<b>Programme 1</b>		
<b>(7 740)</b>			<b>7 740</b>		
Goods and services	Savings realised on audited projects due to cost cutting measures	(250)	Machinery and equipment	Replacement of obsolete office equipment for newly appointed staff	250
	Savings realised on audited projects due to cost cutting measures	(250)	Software and other intangible assets	Procurement of specialised software for audits	250
	Unspent funds in goods and services	(740)	Non-profit institutions <sup>1</sup>	Prize money for Women in Water Award winners	740
Compensation of employees	Vacant posts	(6 500)	Goods and services	Procurement of automated monitoring and evaluation system and document control systems	6 500
Shifts within the programme as a percentage of the programme budget		0.8%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>			<b>Programme 2</b>		
<b>(12 923)</b>			<b>12 923</b>		
Goods and services	Reclassification due to funds incorrectly classified in the 2013 ENE	(615)	Machinery and equipment	Software licences	615
Compensation of employees	Vacant posts	(12 027)	Goods and services	Operational budget for policy and planning Maintenance and support of application development and support services Phase 2 of the national water resources strategy project	12 027
Interest and rent on land	Reclassification due to amendments of the standard chart of accounts regarding finance lease payments	(281)	Machinery and equipment	Implementation of changes in the standard chart of accounts relating to finance leases	281
Shifts within the programme as a percentage of the programme budget		2.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>			<b>Programme 4</b>		
<b>(24 832)</b>			<b>24 832</b>		
Goods and services	Saving realised due to the non-appointment of the professional service provider to implement part of the Letsema project	(2 334)	Machinery and equipment	Letsema project	2 334

2013 Adjusted Estimates of National Expenditure

<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand d</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
Compensation of employees	Vacant posts	(19 179)	Goods and services	Letsema project and regulations on water use	19 179
	Vacant posts	(645)	Machinery and equipment	Finance leases	645
	Vacant posts	(7)	Provinces and municipalities	Municipal rates and taxes	7
	Efficiencies realised from the new organisational structure	(995)	Households	Leave gratuities	995
Households	Reallocation of funds from leave gratuities	(70)	Provinces and municipalities	Municipal rates and taxes	70
Interest and rent on land	Reallocation of funds	(15)	Goods and services	Regulations on water use	15
	Reclassification due to amendments of the standard chart of accounts regarding finance lease payments	(1 580)	Machinery and equipment	Implementation of changes in the standard chart of accounts relating to finance leases	1 580
	Reclassification due to amendments of the standard chart of accounts regarding finance lease payments	(7)	Machinery and equipment	Implementation of changes in the standard chart of accounts relating to finance leases	7
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(6 337)</b>	<b>Programme 2</b>		<b>1 000</b>
Compensation of employees	Vacant posts	(1 000)	Goods and services	Operational budget for policy and strategy functions	1 000
	Vacant posts in relation to occupation specific dispensation	(5 155)	<b>Programme 5</b>		<b>5 337</b>
	Vacant posts in relation to occupation specific dispensation	(182)	Goods and services	Implementation of the programme for blue drop and green drop certification Verification project in the Upper Olifants and Lower Olifants river catchment areas	5 155
			Machinery and equipment	Procurement of computers for newly appointed personnel	182
Shifts within the programme as a percentage of the programme budget		4.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.8%</b>			
<b>Programme 6</b>		<b>(1 194)</b>	<b>Programme 6</b>		<b>1 194</b>
Goods and services	Unspent funds due to the postponement of foreign trips	(1 194)	Machinery and equipment	Procurement of office furniture and computer equipment	1 194
Shifts within the programme as a percentage of the programme budget		4.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(53 026)</b>			<b>53 026</b>

1. National Treasury approval has been obtained.



## Gifts, donations and sponsorships – R740 000

### Programme 1: Administration

The department will make a donation of R740 000 in prize money to various non-governmental organisations eligible for the Women in Water Award.

## Expenditure for 2012/13 and preliminary expenditure for 2013/14

Programme	2012/13					2013/14			
	Expenditure outcome					Preliminary expenditure			
R thousand	Adjusted appropriation	Apr 12 - Sep 12	adjusted % of	Apr 12 - Mar 13	Apr 12 - Mar 13 % of	Adjusted appropriation	Adjusted appropriation/total (%)	Apr 13 - Sep 13	Apr 13 - Sep 13 % of
		appropriation		appropriation				appropriation	
Administration	865 002	427 350	49.4	843 367	97.5	978 606	9.4	448 946	45.9
Water Sector Management	454 287	203 227	44.7	500 538	110.2	517 366	5.0	255 514	49.4
Water Infrastructure Management	2 251 496	777 931	34.6	2 251 496	100.0	2 565 203	24.7	1 035 929	40.4
Regional Implementation and Support	5 283 656	1 274 240	24.1	4 935 759	93.4	6 171 275	59.5	2 029 796	32.9
Water Sector Regulation	110 243	43 534	39.5	87 378	79.3	117 691	1.1	40 623	34.5
International Water Cooperation	28 478	11 271	39.6	22 970	80.7	25 413	0.2	12 709	50.0
<b>Total</b>	<b>8 993 162</b>	<b>2 737 553</b>	<b>30.4</b>	<b>8 641 508</b>	<b>96.1</b>	<b>10 375 554</b>	<b>100.0</b>	<b>3 823 517</b>	<b>36.9</b>
<b>Economic classification</b>									0.0
<b>Current payments</b>	<b>2 471 209</b>	<b>1 065 393</b>	<b>43.1</b>	<b>2 305 576</b>	<b>93.3</b>	<b>2 707 444</b>	<b>26.1</b>	<b>1 162 238</b>	<b>42.9</b>
Compensation of employees	1 058 264	502 992	47.5	1 028 548	97.2	1 181 519	11.4	549 995	46.5
Goods and services	1 410 504	560 926	39.8	1 273 529	90.3	1 525 705	14.7	612 241	40.1
Interest and rent on land	2 441	1 475	60.4	3 499	143.3	220	0.0	2	0.9
<b>Transfers and subsidies</b>	<b>2 909 431</b>	<b>970 587</b>	<b>33.4</b>	<b>2 930 910</b>	<b>100.7</b>	<b>3 918 112</b>	<b>37.8</b>	<b>1 316 452</b>	<b>33.6</b>
Provinces and municipalities	562 556	168 338	29.9	562 850	100.1	1 024 106	9.9	195 072	19.0
Departmental agencies and accounts	2 140 442	668 425	31.2	2 109 027	98.5	2 431 547	23.4	945 753	38.9
Foreign governments and international organisations	180 625	120 010	66.4	180 592	100.0	188 624	1.8	118 558	62.9
Public corporations and private enterprises	–	4 804	0.0	49 357	0.0	250 000	2.4	47 020	18.8
Non-profit institutions	–	–	0.0	490	0.0	740	0.0	3	0.4
Households	25 808	9 010	34.9	28 594	110.8	23 095	0.2	10 046	43.5
<b>Payments for capital assets</b>	<b>3 612 522</b>	<b>701 304</b>	<b>19.4</b>	<b>3 404 741</b>	<b>94.2</b>	<b>3 749 998</b>	<b>36.1</b>	<b>1 340 368</b>	<b>35.7</b>
Buildings and other fixed structures	3 512 658	674 729	19.2	3 322 751	94.6	3 642 077	35.1	1 316 162	36.1
Machinery and equipment	84 669	25 870	30.6	73 366	86.7	100 327	1.0	18 112	18.1
Software and other intangible assets	15 195	705	4.6	8 624	56.8	7 594	0.1	6 094	80.2
<b>Payments for financial assets</b>	<b>–</b>	<b>269</b>	<b>–</b>	<b>281</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>4 459</b>	<b>0.0</b>
<b>Total</b>	<b>8 993 162</b>	<b>2 737 553</b>	<b>30.4</b>	<b>8 641 508</b>	<b>96.1</b>	<b>10 375 554</b>	<b>100.0</b>	<b>3 823 517</b>	<b>36.9</b>

## Expenditure trends for the first half of 2013/14

Total expenditure for 2012/13 was 96.1 per cent of the 2012/13 adjusted appropriation. Expenditure in the first six months of 2013/14 was R3.824 billion, or 36.9 per cent of the adjusted appropriation of R10.376 billion for the year as a whole. In comparison, mid-year expenditure in 2012/13 was R2.738 billion,

or 30.4 per cent of the 2012/13 adjustment appropriation. Compared to the first six months of 2012/13, expenditure over the same period in 2013/14 increased by R1.086 billion, or 39.7 per cent. This was mainly due to higher expenditure on the regional bulk infrastructure grant, as 8 of the 12 water infrastructure projects targeted for 2013/14 have been completed.

## Departmental receipts

R thousand	2012/13					2013/14				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 12 - Sep 12	Apr 12 - 12-Sep % of adjusted estimate	Apr 12 - Mar 13	Apr 12 - 13-Mar % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/total (%)	Apr 13 - Sep 13	Apr 13 - 13-Sep % of adjusted estimate
<b>Departmental receipts</b>	<b>27 282</b>	<b>15 555</b>	<b>57.0</b>	<b>26 015</b>	<b>95.4</b>	<b>29 358</b>	<b>24 678</b>	<b>100.0</b>	<b>10 325</b>	<b>41.8</b>
Sales of goods and services produced by department	3 514	1 814	51.6	2 964	84.3	1 936	4 657	18.9	1 757	37.7
Sales of scrap, waste, arms and other used current goods	22	11	59.1	45	204.5	37	21	0.1	1	4.8
Interest, dividends and rent on land	3 396	2 940	86.6	(558)	(16.4)	3 140	8 000	32.4	4 562	57.0
Transactions in financial assets and liabilities	20 350	10 790	53.0	23 564	115.8	24 245	12 000	48.6	4 005	33.4
<b>Total</b>	<b>27 282</b>	<b>15 555</b>	<b>57.0</b>	<b>26 015</b>	<b>95.4</b>	<b>29 358</b>	<b>24 678</b>	<b>100.0</b>	<b>10 325</b>	<b>41.8</b>

## Revenue trends for the first half of 2013/14

Revenue in the first six months of 2013/14 was R10.325 million, or 41.8 per cent of the adjusted revenue estimate of R24.678 million for the year. In comparison, mid-year revenue in 2012/13 was R15.555 million, or 57 per cent of the 2012/13 adjusted estimate. Compared to the first six months of 2012/13, revenue over the same period in 2013/14 decreased by R5.230 million, or 33.6 per cent. This was mainly because of the high projections for receivables collected for the first six months of 2012/13, of R1.8 million. The department anticipates collecting less than projected revenue at the end of the 2013/14, due to irrecoverable loans and staff debts.

## Changes to transfers and subsidies, including conditional grants

### Summary of changes to transfers and subsidies per programme

R thousand	2013/14							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Non-profit institutions</b>								
<b>Current</b>	-	-	-	740	-	-	740	740
Women in water awards	-	-	-	740	-	-	740	740
<b>Regional Implementation and Support</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	119	-	-	77	-	-	77	196
Vehicle licences	109	-	-	73	-	-	73	182
Municipalities	10	-	-	4	-	-	4	14
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	5 510	-	-	925	-	-	925	6 435
Employee social benefit	-	-	-	1 723	-	-	1 723	1 723
Resources for poor farmers	5 510	-	-	(798)	-	-	(798)	4 712