

# Vote 7

## Public Works

### Adjusted budget summary

R thousand	2011/12			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>7 819 256</b>	<b>7 829 744</b>	–	10 488
<b>of which:</b>				
Current payments	2 265 423	2 275 861	–	10 438
Transfers and subsidies	4 010 265	4 010 315	–	50
Payments for capital assets	1 543 568	1 543 568	–	–
Executive authority	Minister of Public Works			
Accounting officer	Director-General of Public Works			
Website address	www.publicworks.gov.za			

### Aim

*Provide for and manage the accommodation, housing, land and infrastructure needs of national departments. Lead and direct the implementation of the national expanded public works programme. Promote growth, job creation and transformation in the construction and property industries.*

### Mid-year performance status

Indicator	Programme	Annual performance		
		Projected for 2011/12 as published in the 2011 ENE	Achieved in the first six months of 2011/12 (April to September)	Changed estimate for 2011/12
As published in the 2011 ENE	Programme linked to the indicator			
Percentage of asset register with information fields populated with essential data (out of the present 108 562 properties)	Immovable Asset Management	90% (97 705)	82% (89 020 of 108 562)	
Number of state owned buildings rehabilitated per year	Immovable Asset Management	7	3	
Percentage reduction in electricity consumption in state owned buildings due to retrofitting	Immovable Asset Management	7% (65 000 kw/h)	3% (37 180 kw/h)	
Number of state owned buildings made accessible to people with disability per year	Immovable Asset Management	110	33	
Number of youths participating in the national youth service programme in the department per year	Expanded Public Works Programme	3 000	1 739	
Total number of municipalities reporting on expanded public works programme targets	Expanded Public Works Programme	145	150	
Total number of expanded public works programme work opportunities created per year	Expanded Public Works Programme	868 000	328 304	
Total number of expanded public works programme opportunities created on provincial access roads	Expanded Public Works Programme	115 000	88 913	

### Mid-year progress

The department is set to achieve most of its performance targets for the year. The department is on schedule for the rehabilitation of state owned buildings, youths participating in the national youth service programme, updating the asset register, as well as the reduction in electricity consumption in state owned buildings due to retrofitting. Mid-year performance for this is already at the halfway mark. The number of buildings made accessible to people with disability for the first half of 2011/12 is in line with the plan for the whole year, with the estimated number of buildings to be made accessible likely to be achieved by the end of the financial year. As at the end of the first half of 2011/12, the number of municipalities reporting on the

expanded public works programme already exceeded the annual target set; and this is likely to increase over the remainder of the financial year.

## Adjusted Estimates of National Expenditure 2011

Programme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Administration	751 033	-	-	16 000	10 488	26 488	777 521
Immovable Asset Management	5 424 945	-	-	(14 400)	-	(14 400)	5 410 545
Expanded Public Works Programme	1 575 198	-	-	-	-	-	1 575 198
Property and Construction Industry Policy Regulations	34 900	-	-	-	-	-	34 900
Auxiliary and Associated Services	33 180	-	-	(1 600)	-	(1 600)	31 580
<b>Total</b>	<b>7 819 256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 488</b>	<b>10 488</b>	<b>7 829 744</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>2 265 423</b>	<b>-</b>	<b>-</b>	<b>(50)</b>	<b>10 488</b>	<b>10 438</b>	<b>2 275 861</b>
Compensation of employees	1 242 062	-	-	-	10 488	10 488	1 252 550
Goods and services	1 008 019	-	-	(50)	-	(50)	1 007 969
Interest and rent on land	15 342	-	-	-	-	-	15 342
<b>Transfers and subsidies</b>	<b>4 010 265</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>4 010 315</b>
Provinces and municipalities	2 950 440	-	-	25	-	25	2 950 465
Departmental agencies and accounts	733 090	-	-	1 600	-	1 600	734 690
Foreign governments and international organisations	18 515	-	-	(1 600)	-	(1 600)	16 915
Public corporations and private enterprises	150 000	-	-	-	-	-	150 000
Non-profit institutions	154 370	-	-	-	-	-	154 370
Households	3 850	-	-	25	-	25	3 875
<b>Payments for capital assets</b>	<b>1 543 568</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 543 568</b>
Buildings and other fixed structures	1 443 945	-	-	-	-	-	1 443 945
Machinery and equipment	94 222	-	-	-	-	-	94 222
Software and other intangible assets	5 401	-	-	-	-	-	5 401
<b>Total</b>	<b>7 819 256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 488</b>	<b>10 488</b>	<b>7 829 744</b>

### Programme 1: Administration

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Ministry	36 268	-	-	-	-	-	36 268
Management	65 745	-	-	-	-	-	65 745
Corporate Services	245 476	-	-	16 000	10 488	26 488	271 964
Office Accommodation	403 544	-	-	-	-	-	403 544
<b>Total</b>	<b>751 033</b>	<b>-</b>	<b>-</b>	<b>16 000</b>	<b>10 488</b>	<b>26 488</b>	<b>777 521</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>740 347</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 488</b>	<b>10 488</b>	<b>750 835</b>
Compensation of employees	170 904	-	-	-	10 488	10 488	181 392
Goods and services	557 452	-	-	-	-	-	557 452
Interest and rent on land	11 991	-	-	-	-	-	11 991
<b>Transfers and subsidies</b>	<b>594</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>594</b>
Provinces and municipalities	-	-	-	10	-	10	10
Households	594	-	-	(10)	-	(10)	584
<b>Payments for capital assets</b>	<b>10 092</b>	<b>-</b>	<b>-</b>	<b>16 000</b>	<b>-</b>	<b>16 000</b>	<b>26 092</b>
Machinery and equipment	4 842	-	-	16 000	-	16 000	20 842
Software and other intangible assets	5 250	-	-	-	-	-	5 250
<b>Total</b>	<b>751 033</b>	<b>-</b>	<b>-</b>	<b>16 000</b>	<b>10 488</b>	<b>26 488</b>	<b>777 521</b>

**Programme 2: Immovable Asset Management**

Subprogramme		2011/12						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
Infrastructure (Public Works)	1 443 945	-	-	-	-	-	1 443 945	
Property Management	1 803 230	-	-	-	-	-	1 803 230	
Strategic Asset Investment Analysis	253 465	-	-	-	-	-	253 465	
Operation Management	933 207	-	-	(16 000)	-	(16 000)	917 207	
Prestige Management	68 495	-	-	-	-	-	68 495	
Special Projects	41 995	-	-	-	-	-	41 995	
Construction Industry Development Board	65 959	-	-	-	-	-	65 959	
Council for the Built Environment	27 059	-	-	1 600	-	1 600	28 659	
Parliamentary Villages Management Board	7 401	-	-	-	-	-	7 401	
Augmentation of the Property Management Trading Entity	630 189	-	-	-	-	-	630 189	
Independent Development Trust	150 000	-	-	-	-	-	150 000	
<b>Total</b>	<b>5 424 945</b>	<b>-</b>	<b>-</b>	<b>(14 400)</b>	<b>-</b>	<b>(14 400)</b>	<b>5 410 545</b>	
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 206 484</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 206 484</b>	
Compensation of employees	960 043	-	-	-	-	-	960 043	
Goods and services	243 176	-	-	-	-	-	243 176	
Interest and rent on land	3 265	-	-	-	-	-	3 265	
<b>Transfers and subsidies</b>	<b>2 687 093</b>	<b>-</b>	<b>-</b>	<b>1 600</b>	<b>-</b>	<b>1 600</b>	<b>2 688 693</b>	
Provinces and municipalities	1 803 230	-	-	15	-	15	1 803 245	
Departmental agencies and accounts	730 608	-	-	1 600	-	1 600	732 208	
Public corporations and private enterprises	150 000	-	-	-	-	-	150 000	
Households	3 255	-	-	(15)	-	(15)	3 240	
<b>Payments for capital assets</b>	<b>1 531 368</b>	<b>-</b>	<b>-</b>	<b>(16 000)</b>	<b>-</b>	<b>(16 000)</b>	<b>1 515 368</b>	
Buildings and other fixed structures	1 443 945	-	-	-	-	-	1 443 945	
Machinery and equipment	87 272	-	-	(16 000)	-	(16 000)	71 272	
Software and other intangible assets	151	-	-	-	-	-	151	
<b>Total</b>	<b>5 424 945</b>	<b>-</b>	<b>-</b>	<b>(14 400)</b>	<b>-</b>	<b>(14 400)</b>	<b>5 410 545</b>	

**Programme 3: Expanded Public Works Programme**

Subprogramme		2011/12						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
Expanded Public Works Programme	264 438	-	-	-	-	-	264 438	
Performance Based Incentive Allocations	1 310 760	-	-	-	-	-	1 310 760	
<b>Total</b>	<b>1 575 198</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 575 198</b>	
<b>Economic classification</b>								
<b>Current payments</b>	<b>271 634</b>	<b>-</b>	<b>-</b>	<b>(50)</b>	<b>-</b>	<b>(50)</b>	<b>271 584</b>	
Compensation of employees	99 110	-	-	-	-	-	99 110	
Goods and services	172 460	-	-	(50)	-	(50)	172 410	
Interest and rent on land	64	-	-	-	-	-	64	
<b>Transfers and subsidies</b>	<b>1 301 580</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>1 301 630</b>	
Provinces and municipalities	1 147 210	-	-	-	-	-	1 147 210	
Non-profit institutions	154 370	-	-	-	-	-	154 370	
Households	-	-	-	50	-	50	50	
<b>Payments for capital assets</b>	<b>1 984</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 984</b>	
Machinery and equipment	1 984	-	-	-	-	-	1 984	
<b>Total</b>	<b>1 575 198</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 575 198</b>	

**Programme 5: Auxiliary and Associated Services**

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand							
Compensation for Losses	2 062	-	-	-	-	-	2 062
Distress Relief	1	-	-	-	-	-	1
Loskop Settlement	1	-	-	-	-	-	1
Assistance to Organisations for Preservation of National Memorials	18 515	-	-	(1 600)	-	(1 600)	16 915
State Functions	10 119	-	-	-	-	-	10 119
Sector Education and Training Authority	2 482	-	-	-	-	-	2 482
<b>Total</b>	<b>33 180</b>	<b>-</b>	<b>-</b>	<b>(1 600)</b>	<b>-</b>	<b>(1 600)</b>	<b>31 580</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>12 182</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 182</b>
Goods and services	12 182	-	-	-	-	-	12 182
<b>Transfers and subsidies</b>	<b>20 998</b>	<b>-</b>	<b>-</b>	<b>(1 600)</b>	<b>-</b>	<b>(1 600)</b>	<b>19 398</b>
Departmental agencies and accounts	2 482	-	-	-	-	-	2 482
Foreign governments and international organisations	18 515	-	-	(1 600)	-	(1 600)	16 915
Households	1	-	-	-	-	-	1
<b>Total</b>	<b>33 180</b>	<b>-</b>	<b>-</b>	<b>(1 600)</b>	<b>-</b>	<b>(1 600)</b>	<b>31 580</b>

**Details of adjustments to Estimates of National Expenditure 2011****Virements and shifts****Programmes**

- Administration
- Immovable Asset Management
- Expanded Public Works Programme
- Property and Construction Industry Policy Regulations
- Auxiliary and Associated Services

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(10)</b>	<b>Programme 1</b>		<b>10</b>
Households	Item incorrectly classified in the 2011 ENE	(10)	Provinces and municipalities	For motor licence fees	10
Percentage of programme budget		<b>0.0%</b>			
<b>Programme 2</b>		<b>(16 015)</b>	<b>Programme 1</b>		<b>16 000</b>
Machinery and equipment	Funds for the finance lease for IT servers and software and intangible assets incorrectly classified under programme 2 instead of programme 1	(16 000)	Machinery and equipment	Alignment of allocation to the relevant programme	16 000
			<b>Programme 2</b>		<b>15</b>
Households	Item incorrectly classified in the 2011 ENE	(15)	Provinces and municipalities	For motor licence fees	15
Percentage of programme budget		<b>0.3%</b>			
<b>Programme 3</b>		<b>(50)</b>	<b>Programme 3</b>		<b>50</b>
Goods and services	Reprioritisation of funds from venues and facilities to make provision for a new transfer to households	(50)	Households	Funds for gratuity leave	50
Percentage of programme budget		<b>0.0%</b>			
<b>Programme 5</b>		<b>(1 600)</b>	<b>Programme 2</b>		<b>1 600</b>
Foreign governments and international organisations	Savings realised in expenditure for foreign governments and international organisations	(1 600)	Departmental agencies and accounts	Additional request from the Council for the Built Environment	1 600
Percentage of programme budget		<b>4.8%</b>			
<b>Total</b>		<b>(17 675)</b>			<b>17 675</b>

## Other adjustments – R10.488 million

### Adjustments due to significant and unforeseeable economic and financial events

Programme 1: Administration

An additional R10.488 million has been allocated for higher personnel remuneration increases than the main budget provided for.

## Expenditure for 2010/11 and preliminary expenditure for 2011/12

Programme	2010/11					2011/12		
	Expenditure outcome					Preliminary expenditure		
	Adjusted appropriation	Apr 10 - Sep 10	% of adjusted appropriation	Apr 10 - Mar 11	% of adjusted appropriation	Adjusted appropriation	Apr 11 - Sep 11	% of adjusted appropriation
R thousand								
Administration	629 344	270 306	43.0	679 455	108.0	777 521	396 605	51.0
Immovable Asset Management	5 199 437	2 060 969	39.6	4 973 074	95.6	5 410 545	2 180 235	40.3
Expanded Public Works Programme	1 479 110	406 097	27.5	910 386	61.5	1 575 198	563 878	35.8
Property and Construction Industry Policy Regulations	30 039	19 684	65.5	28 029	93.3	34 900	21 506	61.6
Auxiliary and Associated Services	26 867	22 688	84.4	24 139	89.8	31 580	24 923	78.9
<b>Total</b>	<b>7 364 797</b>	<b>2 779 744</b>	<b>37.7</b>	<b>6 615 083</b>	<b>89.8</b>	<b>7 829 744</b>	<b>3 187 147</b>	<b>40.7</b>
<b>Economic classification</b>								0.0
<b>Current payments</b>	<b>2 059 404</b>	<b>870 901</b>	<b>42.3</b>	<b>1 912 582</b>	<b>92.9</b>	<b>2 275 861</b>	<b>1 116 024</b>	<b>49.0</b>
Compensation of employees	1 200 887	527 301	43.9	1 089 693	90.7	1 252 550	606 702	48.4
Goods and services	856 932	342 910	40.0	818 408	95.5	1 007 969	508 520	50.4
Interest and rent on land	1 585	690	43.5	4 481	282.7	15 342	802	5.2
<b>Transfers and subsidies</b>	<b>3 788 130</b>	<b>1 550 593</b>	<b>40.9</b>	<b>3 302 542</b>	<b>87.2</b>	<b>4 010 315</b>	<b>1 640 265</b>	<b>40.9</b>
Provinces and municipalities	2 875 864	1 072 718	37.3	2 383 893	82.9	2 950 465	952 466	32.3
Departmental agencies and accounts	711 482	358 062	50.3	710 342	99.8	734 690	369 006	50.2
Foreign governments and international organisations	17 467	13 863	79.4	13 863	79.4	16 915	12 956	76.6
Public corporations and private enterprises	–	10 515	0.0	73	0.0	150 000	150 001	100.0
Non-profit institutions	179 811	93 985	52.3	188 793	105.0	154 370	154 370	100.0
Households	3 506	1 450	41.4	5 578	159.1	3 875	1 466	37.8
<b>Payments for capital assets</b>	<b>1 517 263</b>	<b>357 962</b>	<b>23.6</b>	<b>1 345 123</b>	<b>88.7</b>	<b>1 543 568</b>	<b>430 858</b>	<b>27.9</b>
Buildings and other fixed structures	1 375 982	327 308	23.8	1 255 873	91.3	1 443 945	401 426	27.8
Machinery and equipment	136 137	30 642	22.5	87 033	63.9	94 222	29 397	31.2
Software and other intangible assets	5 144	12	0.2	2 217	43.1	5 401	35	0.6
<b>Payments for financial assets</b>	<b>–</b>	<b>288</b>	<b>–</b>	<b>54 836</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>7 364 797</b>	<b>2 779 744</b>	<b>37.7</b>	<b>6 615 083</b>	<b>89.8</b>	<b>7 829 744</b>	<b>3 187 147</b>	<b>40.7</b>

## Main expenditure trends for the first half of 2011/12

Total expenditure for 2010/11 was 89.8 per cent of the 2010/11 adjusted appropriation. Expenditure in the first six months of 2011/12 was R3.187 billion, or 40.7 per cent of the adjusted appropriation of R7.830 billion for the year as a whole. In comparison, mid-year expenditure in 2010/11 was R2.780 billion,

or 37.7 per cent of the 2010/11 adjusted appropriation. Expenditure in the first six months of 2011/12 increased by R407.403 million or 14.7 per cent, compared to expenditure in the first six months of 2010/11.

The main expenditure increase compared to 2010/11 is due to the once-off allocation to the Independent Development Trust in 2011/12, additional funding allocated for the devolution of property rates fund grant to provinces and for the social sector expanded public works programme incentive grant for provinces.

## Departmental receipts

R thousand	2010/11					2011/12			
	Adjusted estimate	Audited outcome			Actual receipts				
		Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted estimate	Apr 10 - Mar 11	Apr 10 - Mar 11 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 11 - Sep 11	Apr 11 - Sep 11 % of adjusted estimate
<b>Departmental receipts</b>	<b>30 946</b>	<b>17 666</b>	<b>57.1</b>	<b>40 042</b>	<b>129.4</b>	<b>38 658</b>	<b>38 658</b>	<b>18 717</b>	<b>48.4</b>
Sales of goods and services produced by department	25 638	15 798	61.6	33 743	131.6	33 896	33 896	17 915	52.9
Sales of scrap, waste, arms and other used current goods	154	2	1.3	-	-	445	445	21	4.7
Fines, penalties and forfeits	3	15	500.0	19	633.3	16	16	8	50.0
Interest, dividends and rent on land	620	60	9.7	192	31.0	520	520	59	11.3
Sales of capital assets	1 500	1 063	70.9	1 071	71.4	1 385	1 385	2	0.1
Transactions in financial assets and liabilities	3 031	728	24.0	5 017	165.5	2 396	2 396	712	29.7
<b>Total</b>	<b>30 946</b>	<b>17 666</b>	<b>57.1</b>	<b>40 042</b>	<b>129.4</b>	<b>38 658</b>	<b>38 658</b>	<b>18 717</b>	<b>48.4</b>

## Main departmental revenue trends for the first half of 2011/12

Departmental revenue collection in the first six months of 2011/12 was R 18.717 million, or 48.4 per cent of the adjusted revenue estimate of R38.658 million for the year as a whole. In comparison, mid-year revenue collection in 2010/11 was R17.666 million, or 57.1 per cent of the 2010/11 adjusted estimate. Departmental revenue collection in the first six months of 2011/12 increased by R1.051 million or 5.9 per cent, compared to revenue in the first six months of 2010/11.

The main revenue increase compared to 2010/11 is due to sales of goods and services produced by the department where the department collected R2.117 million more than what was collected in 2010/11 in revenue.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2011/12						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
<b>Administration</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	-	-	-	10	-	10	10
Vehicle licences	-	-	-	10	-	10	10
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	594	-	-	(10)	-	(10)	584
Employee social benefits	594	-	-	(10)	-	(10)	584
<b>Immovable Asset Management</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							

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

R thousand	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
<b>Municipal bank accounts</b>							
<b>Current</b>	–	–	–	15	–	15	15
Vehicle licences	–	–	–	15	–	15	15
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	27 059	–	–	1 600	–	1 600	28 659
Council for the Built Environment	27 059	–	–	1 600	–	1 600	28 659
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	3 101	–	–	(15)	–	(15)	3 086
Employees social benefits	3 101	–	–	(15)	–	(15)	3 086
<b>Expanded Public Works Programme</b>							
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	–	–	–	50	–	50	50
Employee social benefits	–	–	–	50	–	50	50
<b>Auxiliary and Associated Services</b>							
<b>Foreign governments and international organisations</b>							
<b>Current</b>	18 515	–	–	(1 600)	–	(1 600)	16 915
Commonwealth War Graves Commission	18 515	–	–	(1 600)	–	(1 600)	16 915

