

Vote 40

Sport and Recreation South Africa

Adjusted budget summary

R thousand	2015/16			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	988 548	980 879	(7 669)	-
<i>of which:</i>				
Current payments	265 711	262 111	(3 600)	-
Transfers and subsidies	720 670	716 601	(4 069)	-
Payments for capital assets	2 167	2 167	-	-
Executive authority	Minister of Sport and Recreation South Africa			
Accounting officer	Director-General of Sport and Recreation South Africa			
Website address	www.srsa.gov.za			

Vote purpose

Transform the delivery of sport and recreation by ensuring equitable access, development and excellence at all levels of participation, thereby improving social cohesion, nation building and the quality of life of all South Africans.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2015/16 as published in the 2015 ENE	Achieved in the first six months of 2015/16 (April to September)	Changed target for 2015/16
Number of participants in mass participation events per year	Active Nation	Outcome 14: Nation building and social cohesion	11 700	746	-
Number of national school sport championships supported per year	Active Nation		1	0	-
Number of participants in national school sport championships per year	Active Nation		12 000	0	-
Number of sport and recreation promotional campaigns implemented per year	Active Nation		6	1	-
Number of schools, hubs and clubs provided with equipment and attire as per established norms and standards per year	Active Nation		6 520	461	-
Number of major international events receiving intra-governmental support per year	Winning Nation		4	0	-
Number of world class athletes younger than 18 supported per year	Winning Nation		80	0	-
Number of sport and recreation bodies that meet their transformation targets and thus make themselves eligible to receive financial and non-financial support per year	Sport Support		60	5	-

Mid-year progress

The department is on track with the number of sport and recreation promotional campaigns implemented. This is because some supported events are projected to gain momentum in the third quarter, in line with department plans. Although only 746 people have participated in mass participation events, it is envisaged that the annual target will be met, as most of the events are scheduled for the latter part of the financial year. In addition, the national school sport championships will take place in December 2015 and preparations to host this event are proceeding as planned.

Only 5 sport federations out of a targeted 60 have provided audited financial statements and business plans outlining how allocated funds will be used. The main cause of the delay is the misaligned financial year-end of sport and recreation bodies to that of the department, but it is anticipated that the target will be met by the

fourth quarter. Improved compliance will smooth out allocations and the transferring of funds to the federations, consequently improving the support to world class athletes younger than 18 whose activities are linked to those of sport and recreation bodies. A reduction in funding from the National Lotteries Board to the national school sport championships will result in the department being unable to fully meet the target set for the financial year.

The target for the number of schools, hubs and clubs provided with equipment and attire as per established norms and standards per year is also unlikely to be met as the department is supporting more sport codes within a constrained financial environment.

Adjusted Estimates of National Expenditure 2015

Programme	2015/16								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	124 828	-	-	(6 015)	(3 336)	-	(9 351)	115 477	
Active Nation	628 646	-	-	4 600	(4 201)	-	399	629 045	
Winning Nation	92 152	-	-	(16 600)	-	-	(16 600)	75 552	
Sport Support	133 244	-	-	20 905	(132)	-	20 773	154 017	
Sport Infrastructure Support	9 678	-	-	(2 890)	-	-	(2 890)	6 788	
Total	988 548	-	-	-	(7 669)	-	(7 669)	980 879	
Economic classification									
Current payments	265 711	-	-	-	(3 600)	-	(3 600)	262 111	
Compensation of employees	100 705	-	-	(3 000)	(1 900)	-	(4 900)	95 805	
Goods and services	165 006	-	-	3 000	(1 700)	-	1 300	166 306	
Transfers and subsidies	720 670	-	-	-	(4 069)	-	(4 069)	716 601	
Provinces and municipalities	537 294	-	-	-	(4 069)	-	(4 069)	533 225	
Departmental agencies and accounts	30 363	-	-	-	-	-	-	30 363	
Non-profit institutions	153 013	-	-	-	-	-	-	153 013	
Payments for capital assets	2 167	-	-	-	-	-	-	2 167	
Machinery and equipment	2 167	-	-	-	-	-	-	2 167	
Total	988 548	-	-	-	(7 669)	-	(7 669)	980 879	

Programme 1: Administration

Subprogramme	2015/16								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	20 769	-	-	8 100	-	-	8 100	28 869	
Management	18 939	-	-	(2 845)	(178)	-	(3 023)	15 916	
Strategic Support	6 560	-	-	169	-	-	169	6 729	
Corporate Services	40 022	-	-	(359)	(930)	-	(1 289)	38 733	
Office of the Chief Financial Officer	18 478	-	-	(1 680)	(528)	-	(2 208)	16 270	
Office Accommodation	20 060	-	-	(9 400)	(1 700)	-	(11 100)	8 960	
Total	124 828	-	-	(6 015)	(3 336)	-	(9 351)	115 477	
Economic classification									
Current payments	122 582	-	-	(6 015)	(3 336)	-	(9 351)	113 231	
Compensation of employees	66 005	-	-	-	(1 636)	-	(1 636)	64 369	
Goods and services	56 577	-	-	(6 015)	(1 700)	-	(7 715)	48 862	
Transfers and subsidies	79	-	-	-	-	-	-	79	
Departmental agencies and accounts	79	-	-	-	-	-	-	79	
Payments for capital assets	2 167	-	-	-	-	-	-	2 167	
Machinery and equipment	2 167	-	-	-	-	-	-	2 167	
Total	124 828	-	-	(6 015)	(3 336)	-	(9 351)	115 477	

Programme 2: Active Nation

Subprogramme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management: Active Nation	3 358	–	–	–	(132)	–	(132)	3 226
Active Recreation	1 045	–	–	(1 045)	–	–	(1 045)	–
Community Sport	54 321	–	–	7 645	–	–	7 645	61 966
School Sport	32 628	–	–	(2 000)	–	–	(2 000)	30 628
Provincial Sport Support and Coordination	537 294	–	–	–	(4 069)	–	(4 069)	533 225
Total	628 646	–	–	4 600	(4 201)	–	399	629 045
Economic classification								
Current payments	54 740	–	–	4 600	(132)	–	4 468	59 208
Compensation of employees	16 424	–	–	(3 500)	(132)	–	(3 632)	12 792
Goods and services	38 316	–	–	8 100	–	–	8 100	46 416
Transfers and subsidies	573 906	–	–	–	(4 069)	–	(4 069)	569 837
Provinces and municipalities	537 294	–	–	–	(4 069)	–	(4 069)	533 225
Non-profit institutions	36 612	–	–	–	–	–	–	36 612
Total	628 646	–	–	4 600	(4 201)	–	399	629 045

Programme 3: Winning Nation

Subprogramme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management: Winning Nation	2 090	–	–	(2 090)	–	–	(2 090)	–
Scientific Support	61 407	–	–	(11 600)	–	–	(11 600)	49 807
Major Events Support	9 755	–	–	(5 000)	–	–	(5 000)	4 755
Recognition Systems	18 900	–	–	2 090	–	–	2 090	20 990
Total	92 152	–	–	(16 600)	–	–	(16 600)	75 552
Economic classification								
Current payments	63 521	–	–	(16 600)	–	–	(16 600)	46 921
Compensation of employees	7 306	–	–	(3 500)	–	–	(3 500)	3 806
Goods and services	56 215	–	–	(13 100)	–	–	(13 100)	43 115
Transfers and subsidies	28 631	–	–	–	–	–	–	28 631
Departmental agencies and accounts	19 816	–	–	–	–	–	–	19 816
Non-profit institutions	8 815	–	–	–	–	–	–	8 815
Total	92 152	–	–	(16 600)	–	–	(16 600)	75 552

Programme 4: Sport Support

Subprogramme	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management: Sport Support	4 623	–	–	(1 500)	(132)	–	(1 632)	2 991
International Relations	2 502	–	–	3 890	–	–	3 890	6 392
Sport and Recreation Service Providers	126 119	–	–	18 515	–	–	18 515	144 634
Total	133 244	–	–	20 905	(132)	–	20 773	154 017
Economic classification								
Current payments	15 190	–	–	20 905	(132)	–	20 773	35 963
Compensation of employees	8 081	–	–	4 800	(132)	–	4 668	12 749
Goods and services	7 109	–	–	16 105	–	–	16 105	23 214
Transfers and subsidies	118 054	–	–	–	–	–	–	118 054
Departmental agencies and accounts	10 468	–	–	–	–	–	–	10 468
Non-profit institutions	107 586	–	–	–	–	–	–	107 586
Total	133 244	–	–	20 905	(132)	–	20 773	154 017

Programme 5: Sport Infrastructure Support

Subprogramme	2015/16							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Programme Management: Infrastructure Support	2 090	-	-	(2 090)	-	-	(2 090)	-
Sport and Recreation Facility Management	5 141	-	-	(800)	-	-	(800)	4 341
Sport and Recreation Facility Planning	2 447	-	-	-	-	-	-	2 447
Total	9 678	-	-	(2 890)	-	-	(2 890)	6 788
Economic classification								
Current payments	9 678	-	-	(2 890)	-	-	(2 890)	6 788
Compensation of employees	2 889	-	-	(800)	-	-	(800)	2 089
Goods and services	6 789	-	-	(2 090)	-	-	(2 090)	4 699
Total	9 678	-	-	(2 890)	-	-	(2 890)	6 788

Details of adjustments to the Estimates of National Expenditure 2015

Virements and shifts

Programmes					
1. Administration					
2. Active Nation					
3. Winning Nation					
4. Sport Support					
5. Sport Infrastructure Support					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(6 015)	Programme 4		6 015
Goods and services	Reallocation of funds due to cost containment measures effected on advertising, as the bulk of the vacant posts had already been advertised towards the end of 2014/15	(6 015)	Goods and services	Provision of facilities and venues for the Netball Premier League and the Basketball National League	6 015
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		4.8%			
Programme 2		(3 500)	Programme 4		3 500
Compensation of employees	Vacant posts	(3 000)	Goods and services	Provision of facilities and venues for the Netball Premier League and the Basketball National League	3 000
	Vacant posts	(500)	Compensation of employees	Re-alignment of the establishment	500
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.6%			
Programme 3		(16 600)	Programme 4		3 500
Compensation of employees	Vacant posts	(3 500)	Compensation of employees	Re-alignment of the establishment	3 500
Goods and services	Unspent funds reallocated from contractors due to the withdrawal of athletes from the residential programme and the expiry of some athletes' contracts ¹	(8 100)	Programme 2		8 100
			Goods and services	Shortfall in funding for youth camps and the national indigenous games festival, as part of efforts to encourage more youth participation in sports	8 100

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Reallocation of funds due to cost containment measures effected on contractors for the Ekhaya project. The department will use internal task teams for these services that were previously outsourced ¹	(5 000)	Programme 4		5 000
			Goods and services	Provision of facilities and venues for the Netball Premier League and the Basketball National League	5 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		8.0% ²			
Programme 5		(2 890)	Programme 4		2 890
Compensation of employees	Vacant posts	(800)	Compensation of employees	Re-alignment of the establishment	800
Goods and services	Reallocation of funds due to savings realised from the slow rollout of the outdoor gym project ¹	(2 090)	Goods and services	Shortfall in expenses incurred for South Africa's commitments to the African Union Sports Council Region 5 for the African Games	2 090
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		9.9% ²			
Total		(29 005)	29 005		

1. National Treasury approval has been obtained.

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

Declared unspent funds – R7.669 million

R1.9 million in unspent funds has been declared from compensation of employees due to vacant posts, an additional R1.7 million from office accommodation and R4.069 million from the conditional grant to provinces. By programme, declared savings were provided for, as follows:

Programme 1: Administration

R3.336 million, of which R1.636 million is from compensation of employees due to vacant posts. R1.7 million is from office accommodation as a result of cost containment measures effected.

Programme 2: Active Nation

R4.201 million, of which R132 000 is from compensation of employees due to vacant posts. The conditional grant allocation has also been reduced by R4.069 million, due to the historical spending performance by some provinces.

Programme 4: Sport Support Services

R132 000 from compensation of employees, due to vacant posts.

Expenditure outcome for 2014/15 and actual expenditure for 2015/16

Programme	2014/15					2015/16				
	Audited outcome					Actual expenditure				
	Adjusted appropriation	Apr 14 - Sep 14 % of	adjusted appropriation	Apr 14 - Mar 15 % of	adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 15 - Sep 15 % of	adjusted appropriation	Apr 15 - Sep 15 % of	
R thousand										
Administration	116 740	48 602	41.6	105 152	90.1	115 477	11.8	56 551	49.0	
Active Nation	620 087	296 794	47.9	624 767	100.8	629 045	64.1	308 237	49.0	
Winning Nation	78 122	33 857	43.3	83 109	106.4	75 552	7.7	24 162	32.0	
Sport Support	145 054	31 684	21.8	148 861	102.6	154 017	15.7	32 856	21.3	
Sport Infrastructure Support	10 401	1 462	14.1	5 500	52.9	6 788	0.7	1 679	24.7	
Total	970 404	412 399	42.5	967 389	99.7	980 879	100.0	423 485	43.2	

Economic classification	2014/15					2015/16				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	Apr 14 - Mar 15	Apr 14 - Mar 15 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	
Current payments	269 465	108 701	40.3	266 104	98.8	262 111	26.7	106 501	40.6	
Compensation of employees	88 232	40 645	46.1	82 376	93.4	95 805	9.8	46 117	48.1	
Goods and services	181 233	68 056	37.6	183 585	101.3	166 306	17.0	60 384	36.3	
Interest and rent on land	–	–	–	143	–	–	–	–	–	
Transfers and subsidies	698 772	302 904	43.3	699 098	100.0	716 601	73.1	315 683	44.1	
Provinces and municipalities	525 632	260 524	49.6	525 632	100.0	533 225	54.4	264 251	49.6	
Departmental agencies and accounts	26 525	22 495	84.8	26 496	99.9	30 363	3.1	25 051	82.5	
Non-profit institutions	146 615	19 667	13.4	146 615	100.0	153 013	15.6	26 306	17.2	
Households	–	218	–	355	–	–	–	75	–	
Payments for capital assets	2 167	788	36.4	2 109	97.3	2 167	0.2	1 301	60.0	
Machinery and equipment	2 167	752	34.7	1 765	81.4	2 167	0.2	1 301	60.0	
Software and other intangible assets	–	36	–	344	–	–	–	–	–	
Payments for financial assets	–	6	–	78	–	–	–	–	–	
Total	970 404	412 399	42.5	967 389	99.7	980 879	100.0	423 485	43.2	

Expenditure trends for the first half of 2015/16

Total expenditure in 2014/15 was 99.7 per cent of the 2014/15 adjusted appropriation. Expenditure in the first six months of 2015/16 was R423.5 million, or 43.2 per cent of the adjusted appropriation of R980.9 million for the year. In comparison, mid-year expenditure in 2014/15 was R412.4 million, or 42.5 per cent of the 2014/15 adjusted appropriation. Compared to the first six months of 2014/15, expenditure over the same period in 2015/16 increased by R11.1 million, or 2.7 per cent. This was mainly due to the Netball/Brutal Fruit Leagues Launch and Basketball League Games.

Departmental receipts

Economic classification	2014/15					2015/16				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate	Apr 14 - Mar 15	Apr 14 - Mar 15 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate
Departmental receipts	331	44	13.3	107	32.3	103	273	100.0	204	74.7
Sales of goods and services produced by department	64	26	40.6	52	81.3	66	67	24.5	29	43.3
Interest, dividends and rent on land	6	–	–	6	100.0	7	6	2.2	1	16.7
Sales of capital assets	61	–	–	–	–	–	–	–	–	–
Transactions in financial assets and liabilities	200	18	9.0	49	24.5	30	200	73.3	174	87.0
Total	331	44	13.3	107	32.3	103	273	100.0	204	74.7

Revenue trends for the first half of 2015/16

Revenue in the first six months of 2015/16 was R204 000, or 74.7 per cent of the adjusted revenue estimate of R273 000 for the year. In comparison, mid-year revenue in 2014/15 was R44 000, or 13.3 per cent of the 2014/15 adjusted estimate. Compared to the first six months of 2014/15, revenue over the same period in 2015/16 increased by R160 000, or 363.6 per cent. This was mainly due to the insurance settlement paid for damages to one of the department's cars, and recovered debt.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Active Nation								
Provinces and municipalities								
Provinces								
Provincial revenue funds								
Current	537 294	-	-	-	(4 069)	-	(4 069)	533 225
Mass participation and sport development grant	537 294	-	-	-	(4 069)	-	(4 069)	533 225

Summary of changes to conditional grants: Provinces

R thousand	2015/16							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Active Nation	537 294	-	-	-	(4 069)	-	(4 069)	533 225
Mass participation and sport development grant	537 294	-	-	-	(4 069)	-	(4 069)	533 225

