

Vote 35

Transport

Adjusted budget summary

2016/17				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	56 015 163	56 285 854	-	270 691
Current payments	1 192 054	1 183 895	(8 159)	-
Transfers and subsidies	54 818 777	55 094 468	-	275 691
Payments for capital assets	4 332	7 491	-	3 159
Direct charge against the National Revenue Fund	-	1 700	-	1 700
Executive authority	Minister of Transport			
Accounting officer	Director-General of Transport			
Website address	www.transport.gov.za			

Vote purpose

Lead the provision of an integrated, sustainable, reliable and safe transport system through planning, developing, coordinating, promoting and implementing transport policies, regulations and strategies.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Lane kilometres of surfaced roads rehabilitated per year	Road Transport	Outcome 6: An efficient, competitive and responsive economic infrastructure network	2 360 km	397 km	-
Lane kilometres of roads resealed per year	Road Transport		3 799 km	1 735 km	-
Kilometres of roads re-gravelled per year	Road Transport		4 534 km	1 664 km	-
Square kilometres of blacktop patching on roads (including pothole repairs) per year	Road Transport		1 221 968 km ²	489 273 km	-
Kilometres of gravel roads bladed per year	Road Transport		533 052 km	146 631 km	-
Number of average weekday bus rapid transit passengers trips per year: Rea Vaya (Johannesburg)	Public Transport		60 000	50 000	-
Total number of integrated public transport networks facilitated at the construction phase	Public Transport		12	11	-
Number of average weekday bus rapid transit passenger trips per year: My Citi (Cape Town)	Public Transport		86 380	106 730	-

Mid-year progress

Progress in lane kilometres of surfaced roads rehabilitated per year has been slower than anticipated. This has been largely due to delays in the procurement processes across all provinces.

Progress in lane kilometres of roads resealed per year has been slower than expected due to inclement weather conditions that affected some projects.

Progress in kilometres of roads re-gravelled per year has also been slower than anticipated. This has been largely due to water shortages linked to the drought affected areas in the country in recent months.

Progress in kilometres of gravel roads bladed per year has been slower than expected due to delays in the procurement processes of a number of projects, particularly for grader services and repairs in rural areas.

The Rea Vaya bus rapid transit system in the City of Johannesburg carries an average of about 50 000 passengers per weekday against a target of 60 000 passengers, while My Citi bus rapid transit system in the City of Cape Town carries 106 730 passengers against a target of 86 380. The below target performance in Johannesburg is largely due to the slower than expected rates of passengers transitioning from other modes of transport to the bus rapid transit systems; the full integration of rapid public transport networks has not yet materialised. The above target performance in Cape Town is largely due to the introduction of two additional routes to its bus rapid transit system.

Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	394 763	-	-	-	(1 970)	-	(1 970)	392 793
Integrated Transport Planning	78 954	-	-	-	-	-	-	78 954
Rail Transport	18 985 533	-	-	-	-	-	-	18 985 533
Road Transport	24 525 567	275 691	-	-	(2 132)	-	273 559	24 799 126
Civil Aviation	253 223	-	-	-	-	-	-	253 223
Maritime Transport	121 733	-	-	-	(898)	-	(898)	120 835
Public Transport	11 655 390	-	-	-	-	-	-	11 655 390
Subtotal	56 015 163	275 691	-	-	(5 000)	-	270 691	56 285 854
Direct charge against the National Revenue Fund	-	-	-	-	-	1 700	1 700	1 700
International Oil Pollution Compensation Fund	-	-	-	-	-	1 700	1 700	1 700
Total	56 015 163	275 691	-	-	(5 000)	1 700	272 391	56 287 554
Economic classification								
Current payments	1 192 054	-	-	(3 159)	(5 000)	-	(8 159)	1 183 895
Compensation of employees	437 139	-	-	-	(5 000)	-	(5 000)	432 139
Goods and services	754 915	-	-	(3 159)	-	-	(3 159)	751 756
Transfers and subsidies	54 818 777	275 691	-	-	-	1 700	277 391	55 096 168
Provinces and municipalities	21 297 000	275 691	-	-	-	-	275 691	21 572 691
Departmental agencies and accounts	14 233 971	-	-	-	-	-	-	14 233 971
Foreign governments and international organisations	11 164	-	-	-	-	1 700	1 700	12 864
Public corporations and private enterprises	18 890 267	-	-	-	-	-	-	18 890 267
Non-profit institutions	22 816	-	-	-	-	-	-	22 816
Households	363 559	-	-	-	-	-	-	363 559
Payments for capital assets	4 332	-	-	3 159	-	-	3 159	7 491
Machinery and equipment	4 332	-	-	3 159	-	-	3 159	7 491
Total	56 015 163	275 691	-	-	(5 000)	1 700	272 391	56 287 554

Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	35 040	-	-	-	-	-	-	35 040
Management	75 421	-	-	-	(1 970)	-	(1 970)	73 451
Corporate Services	198 585	-	-	-	-	-	-	198 585
Communications	35 404	-	-	-	-	-	-	35 404
Office Accommodation	50 313	-	-	-	-	-	-	50 313
Total	394 763	-	-	-	(1 970)	-	(1 970)	392 793
Economic classification								
Current payments	381 078	-	-	(2 602)	(1 970)	-	(4 572)	376 506
Compensation of employees	198 916	-	-	-	(1 970)	-	(1 970)	196 946
Goods and services	182 162	-	-	(2 602)	-	-	(2 602)	179 560
Transfers and subsidies	11 222	-	-	-	-	-	-	11 222
Departmental agencies and accounts	1 105	-	-	-	-	-	-	1 105
Households	10 117	-	-	-	-	-	-	10 117
Payments for capital assets	2 463	-	-	2 602	-	-	2 602	5 065
Machinery and equipment	2 463	-	-	2 602	-	-	2 602	5 065
Total	394 763	-	-	-	(1 970)	-	(1 970)	392 793

Programme 2: Integrated Transport Planning

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Macro Sector Planning	15 443	-	-	-	-	-	-	15 443
Freight Logistics	20 749	-	-	(338)	-	-	(338)	20 411
Modelling and Economic Analysis	17 731	-	-	(500)	-	-	(500)	17 231
Regional Integration	7 141	-	-	(576)	-	-	(576)	6 565
Research and Innovation	13 659	-	-	(529)	-	-	(529)	13 130
Integrated Transport Planning	4 231	-	-	1 943	-	-	1 943	6 174
Administration Support								
Total	78 954	-	-	-	-	-	-	78 954
Economic classification								
Current payments	78 773	-	-	-	-	-	-	78 773
Compensation of employees	44 261	-	-	-	-	-	-	44 261
Goods and services	34 512	-	-	-	-	-	-	34 512
Payments for capital assets	181	-	-	-	-	-	-	181
Machinery and equipment	181	-	-	-	-	-	-	181
Total	78 954	-	-	-	-	-	-	78 954

Programme 3: Rail Transport

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Rail Regulation	17 636	-	-	1 017	-	-	1 017	18 653
Rail Infrastructure and Industry Development	9 705	-	-	(1 017)	-	-	(1 017)	8 688
Rail Operations	7 851	-	-	-	-	-	-	7 851
Rail Oversight	18 946 254	-	-	-	-	-	-	18 946 254
Rail Administration Support	4 087	-	-	-	-	-	-	4 087
Total	18 985 533	-	-	-	-	-	-	18 985 533
Economic classification								
Current payments	39 179	-	-	(60)	-	-	(60)	39 119
Compensation of employees	23 320	-	-	-	-	-	-	23 320
Goods and services	15 859	-	-	(60)	-	-	(60)	15 799
Transfers and subsidies	18 946 254	-	-	-	-	-	-	18 946 254
Departmental agencies and accounts	55 987	-	-	-	-	-	-	55 987
Public corporations and private enterprises	18 890 267	-	-	-	-	-	-	18 890 267
Payments for capital assets	100	-	-	60	-	-	60	160
Machinery and equipment	100	-	-	60	-	-	60	160
Total	18 985 533	-	-	-	-	-	-	18 985 533

Programme 4: Road Transport

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Road Regulation	34 566	-	-	-	-	-	-	34 566
Road Infrastructure and Industry Development	36 072	-	-	(555)	(612)	-	(1 167)	34 905
Road Oversight	24 430 034	275 691	-	-	(1 520)	-	274 171	24 704 205
Road Administration Support	7 090	-	-	555	-	-	555	7 645
Road Engineering Standards	17 805	-	-	-	-	-	-	17 805
Total	24 525 567	275 691	-	-	(2 132)	-	273 559	24 799 126
Economic classification								
Current payments	101 359	-	-	-	(2 132)	-	(2 132)	99 227
Compensation of employees	56 383	-	-	-	(2 132)	-	(2 132)	54 251
Goods and services	44 976	-	-	-	-	-	-	44 976
Transfers and subsidies	24 423 558	275 691	-	-	-	-	275 691	24 699 249
Provinces and municipalities	10 304 017	275 691	-	-	-	-	275 691	10 579 708
Departmental agencies and accounts	14 119 541	-	-	-	-	-	-	14 119 541
Payments for capital assets	650	-	-	-	-	-	-	650
Machinery and equipment	650	-	-	-	-	-	-	650
Total	24 525 567	275 691	-	-	(2 132)	-	273 559	24 799 126

Programme 6: Maritime Transport

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Maritime Policy Development	13 134	-	-	(3 114)	-	-	(3 114)	10 020
Maritime Infrastructure and Industry Development	11 627	-	-	411	-	-	411	12 038
Implementation, Monitoring and Evaluations	57 373	-	-	2 014	-	-	2 014	59 387
Maritime Oversight	35 253	-	-	-	(898)	-	(898)	34 355
Maritime Administration Support	4 346	-	-	689	-	-	689	5 035
Total	121 733	-	-	-	(898)	-	(898)	120 835
Economic classification								
Current payments	91 079	-	-	(497)	(898)	-	(1 395)	89 684
Compensation of employees	24 680	-	-	-	(898)	-	(898)	23 782
Goods and services	66 399	-	-	(497)	-	-	(497)	65 902
Transfers and subsidies	30 341	-	-	-	-	-	-	30 341
Departmental agencies and accounts	28 561	-	-	-	-	-	-	28 561
Foreign governments and international organisations	1 780	-	-	-	-	-	-	1 780
Payments for capital assets	313	-	-	497	-	-	497	810
Machinery and equipment	313	-	-	497	-	-	497	810
Total	121 733	-	-	-	(898)	-	(898)	120 835

Direct charge against the National Revenue Fund

	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
International Oil Pollution Compensation Fund	-	-	-	-	-	1 700	1 700	1 700
Total	-	-	-	-	-	1 700	1 700	1 700
Economic classification								
Transfers and subsidies	-	-	-	-	-	1 700	1 700	1 700
Foreign governments and international organisations	-	-	-	-	-	1 700	1 700	1 700
Total	-	-	-	-	-	1 700	1 700	1 700

Details of adjustments to the Estimates of National Expenditure 2016**Roll-overs – R275.691 million**

Programme 4: Road Transport

R275.691 million has been rolled over to KwaZulu-Natal for the provincial road maintenance grant.

Virements and shifts

Programmes					
1. Administration					
2. Integrated Transport Planning					
3. Rail Transport					
4. Road Transport					
5. Civil Aviation					
6. Maritime Transport					
7. Public Transport					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(2 602)	Programme 1		2 602
Goods and services	Conversion of operating leases for photocopying machines	(2 602)	Machinery and equipment	Finance leases for photocopying machines	2 602
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 3		(60)	Programme 3		60
Goods and services	Conversion of operating leases for photocopying machines	(60)	Machinery and equipment	Finance leases for photocopying machines	60
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 6		(497)	Programme 6		497
Goods and services	Conversion of operating leases for photocopying machines	(497)	Machinery and equipment	Finance leases for photocopying machines	497
Shifts within the programme as a percentage of the programme budget		0.4%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(3 159)	3 159		

Declared unspent funds – R5 million

R5 million in unspent funds has been declared due to vacant posts.

Programme 1: Administration

R1.970 million

Programme 4: Road Transport

R2.132 million

Programme 6: Maritime Transport

R898 000

Direct charges against the National Revenue Fund – R1.700 million

Funds shifted within a vote following a function shift

R1.700 million has been allocated for payments to the International Oil Pollution Compensation Fund on behalf of oil importers in compliance with the provisions of section 4(2) of the Merchant Shipping (International Oil Pollution Compensation Fund) Contributions Act (2013).

Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	% of adjusted appropriation	Apr 15 - Mar 16	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	% of adjusted appropriation	
Administration	383 457	195 222	50.9	420 824	109.7	392 793	0.7	147 455	37.5	
Integrated Transport Planning	88 083	35 228	40.0	88 762	100.8	78 954	0.1	29 839	37.8	
Rail Transport	18 311 364	10 960 744	59.9	18 305 274	100.0	18 985 533	33.7	7 997 266	42.1	
Road Transport	23 042 697	12 090 117	52.5	22 889 198	99.3	24 799 126	44.1	13 310 665	53.7	
Civil Aviation	149 526	70 905	47.4	145 284	97.2	253 223	0.4	75 426	29.8	
Maritime Transport	121 089	45 933	37.9	142 874	118.0	120 835	0.2	66 091	54.7	
Public Transport	11 518 861	3 796 600	33.0	11 328 571	98.3	11 655 390	20.7	3 907 371	33.5	
Subtotal	53 615 077	27 194 749	50.7	53 320 787	99.5	56 285 854	100.0	25 534 113	45.4	
National Revenue Fund	-	-	-	-	-	1 700	-	-	-	
International Oil Pollution Compensation Fund	-	-	-	-	-	1 700	-	-	-	
Total	53 615 077	27 194 749	50.7	53 320 787	99.5	56 287 554	100.0	25 534 113	45.4	

Economic classification	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation/ Total (%)	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
Current payments	1 069 070	565 167	52.9	1 084 214	101.4	1 183 895	2.1	642 421	54.3	
Compensation of employees	389 806	188 716	48.4	382 866	98.2	432 139	0.8	190 998	44.2	
Goods and services	679 264	376 451	55.4	701 348	103.3	751 756	1.3	451 423	60.0	
Transfers and subsidies	52 540 290	26 624 167	50.7	52 219 381	99.4	55 096 168	97.9	24 887 993	45.2	
Provinces and municipalities	20 796 815	9 190 823	44.2	20 521 127	98.7	21 572 691	38.3	9 546 268	44.3	
Departmental agencies and accounts	13 148 460	6 454 007	49.1	13 148 404	100.0	14 233 971	25.3	7 305 773	51.3	
Higher education institutions	–	1 303	–	–	–	–	–	–	–	
Foreign governments and international organisations	10 685	9 450	88.4	46 824	438.2	12 864	–	11 476	89.2	
Public corporations and private enterprises	18 222 047	10 894 474	59.8	18 222 047	100.0	18 890 267	33.6	7 927 060	42.0	
Non-profit institutions	21 669	18 835	86.9	21 669	100.0	22 816	–	12 000	52.6	
Households	340 614	55 275	16.2	259 310	76.1	363 559	0.6	85 416	23.5	
Payments for capital assets	5 717	5 371	93.9	13 867	242.6	7 491	–	3 685	49.2	
Machinery and equipment	5 717	5 371	93.9	10 513	183.9	7 491	–	3 685	49.2	
Software and other intangible assets	–	–	–	3 354	–	–	–	–	–	
Payments for financial assets	–	44	–	3 325	–	–	–	14	–	
Total	53 615 077	27 194 749	50.7	53 320 787	99.5	56 287 554	100.0	25 534 113	45.4	

Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.5 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R25.5 billion, or 45.4 per cent of the adjusted appropriation of R56.3 billion for the year. In comparison, mid-year expenditure in 2015/16 was R27.2 billion, or 50.7 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R1.7 billion, or 6.1 per cent. This was mainly due to lower transfer payments to the Passenger Rail Agency of South Africa for the first six months of 2016/17, compared to the same period in 2015/16, as well as outstanding invoices for lease accommodation due to a dispute with the service provider.

Departmental receipts

Economic classification	2015/16 Audited outcome					2016/17 Actual receipts					
	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	
R thousand											
Departmental receipts	210 252	208 082	99.0	209 935	99.8	80 881	276 607	100.0	25 723	9.3	
Sales of goods and services produced by department	516	254	49.2	554	107.4	621	621	0.2	351	56.5	
Sales of scrap, waste, arms and other used current goods	62	1	1.6	2	3.2	30	–	–	–	–	
Transfers received	244	–	–	–	–	–	244	–	–	–	
Fines, penalties and forfeits	–	–	–	–	–	70	70	–	–	–	
Interest, dividends and rent on land	206 865	205 562	99.4	205 644	99.4	150	250 908	90.7	908	0.4	
Sales of capital assets	300	–	–	–	–	–	300	0.1	–	–	
Transactions in financial assets and liabilities	2 265	2 265	100.0	3 735	164.9	80 010	24 464	8.8	24 464	100.0	
Total	210 252	208 082	99.0	209 935	99.8	80 881	276 607	100.0	25 723	9.3	

Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R25.7 million, or 9.3 per cent of the adjusted revenue estimate of R276.6 million for the year. In comparison, mid-year revenue in 2015/16 was R208.1 million, or 99 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R182.4 million, or 87.6 per cent. This was mainly due to having received higher dividends from the Airports Company of South Africa over the same period in 2015/16.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Road Transport								
Provinces and municipalities								
Provinces								
Provincial Revenue Funds								
Capital	9 103 380	275 691	-	-	-	-	275 691	9 379 071
Provincial roads maintenance grant: Roads maintenance component	9 103 380	275 691	-	-	-	-	275 691	9 379 071
Direct charge against the National Revenue Fund								
Foreign governments and international organisations								
Current	-	-	-	-	-	1 700	1 700	1 700
International Oil Pollution Compensation Fund	-	-	-	-	-	1 700	1 700	1 700

Summary of changes to conditional grants: Provinces

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Road Transport	10 202 503	275 691	-	-	-	-	275 691	10 478 194
Provincial roads maintenance grant: Roads maintenance component	9 103 380	275 691	-	-	-	-	275 691	9 379 071

