

**Adjusted Estimates of
National Expenditure**

2017

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Adjusted Estimates of National Expenditure

2017

National Treasury

Republic of South Africa

October 2017



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Introduction

The budget cycle timeline

February: The Minister of Finance tables the main Budget and Appropriation Bill in the National Assembly.

April: Start of the new financial year.

October: The Minister of Finance tables the adjusted national budget and the Adjustments Appropriation Bill in the National Assembly.

The main budget process

The main Budget announces government spending for three years going forward: the years of the medium-term expenditure framework (MTEF). Through an accompanying Appropriation Bill, the Executive seeks Parliament's approval and adoption of its spending plans for the upcoming financial year. Amounts allocated for the first year of the new MTEF period are then appropriated from the National Revenue Fund in terms of the Appropriation Act, once assented by the President. Allocations made in Appropriation acts are shown by vote. Generally, a vote specifies the total amount appropriated per department. In some cases, a vote may contain more than one department.

The main Budget also provides for a contingency reserve, which accommodates expenditure related to unforeseeable circumstances.

The adjustments budget process

In the middle of each year, the adjustments process provides an opportunity to make permissible revisions to the main Budget, in response to changes that have affected the planned government spending for that year. The adjusted budget may allocate unused funds, mainly from the contingency reserve, and additional amounts that have been approved for particular types of spending, if that be the case. The adjusted budget estimates are tabled in the National Assembly by the Minister of Finance, accompanied by an Adjustments Appropriation Bill. The permissible adjustments are reflected as part of the adjusted budget, which also includes the amounts initially allocated in the main Appropriation Act and in any subsequent special appropriations. A Division of Revenue Amendment Bill that sets out how the adjustments affect the Division of Revenue Act is also tabled.

The Estimates of National Expenditure (ENE) publication describes in detail the planned spending of all national government votes over the MTEF period. The Adjusted Estimates of National Expenditure (AENE) describes in detail the revisions to spending plans for the first year of the MTEF period: the current financial year. It also includes revised spending and departmental revenue projections for the current financial year, and any revisions to performance projections emanating from the technical financial amendments tabled in the AENE, if that be the case.

The adjustments

The Public Finance Management Act (1999) (PFMA)¹ specifies the type of spending permissible as an adjustment that the adjusted budget may provide for. The Treasury Regulations, issued by National Treasury in terms of the PFMA², provide instructions on how to comply with the act.

The adjustments appropriation makes provision for:

- **Adjustments due to significant and unforeseeable economic and financial events:** When unforeseeable economic and financial events affect the fiscal targets set by the main Budget, adjustments might need to be made. An example of such an event is inflation that is significantly higher than anticipated in the budget estimates projected for the MTEF period.

¹ Section 30(2).

² Section 76.

- **Unforeseeable and unavoidable expenditure:** This is expenditure that could not be anticipated at the time of the main Budget. The Treasury Regulations³ specify that the following may not be regarded as unforeseeable and unavoidable expenditure: spending that was known when the main Budget was being finalised but could not be accommodated in the allocations at the time; spending increases due to tariff adjustments and price increases; and spending to extend existing services or create new services that are not unforeseeable and unavoidable. An example of unforeseeable and unavoidable expenditure is spending made necessary to deal with the effects of adverse weather conditions.
- **Section 16 of the PFMA:** The Minister of Finance can approve the use of unappropriated funds if it is for spending of an exceptional nature. This happens if postponing the spending to a future parliamentary appropriation would seriously prejudice the public interest. The Minister of Finance must subsequently provide a report to Parliament and to the Auditor-General.
- **Appropriation of expenditure earmarked in the main Budget speech for future allocation:** In certain instances, an amount to be allocated for a specific purpose will be announced by the Minister of Finance when the main Budget is tabled, with the details of the annual allocations to be decided later. This is usually when plans have not been finalised in time to decide on the specific allocation amounts for the main Budget.
- **Virements:** The use of unspent funds from amounts appropriated under one main division (programme)⁴ to defray excess expenditure under another main division (programme) within the same vote. Enacted legislation⁵ and the Treasury Regulations⁶ set the parameters within which virements may take place.
- **Shifts within votes:** The use of unspent funds to defray increased expenditure within a main division (programme) of a vote by shifting funds between different segments (subprogrammes and economic classification) of the main division (programme). Shifts may include the reallocation of funds incorrectly allocated in the ENE process or to follow the transfer of functions across programmes.
- **Shifts between votes⁷:** The use of unspent funds in a vote to defray increased expenditure in another vote. Such shifts include when functions are shifted to another vote or institution in terms of legislation and/or following the reassignment of responsibility for the functions. The associated assets, including personnel, and the liabilities also need to be shifted.
- **Roll-overs:** Unspent funds from the preceding financial year that may be rolled over into the current financial year, when activities planned to be completed by the end of the preceding year have not been completed but are close to completion. The Treasury Regulations⁸ restricts roll-overs as follows: compensation of employees funding may not be rolled over; a maximum of 5 per cent of a department's budget for goods and services may be rolled over; funding for transfers and subsidies may not be rolled over for any purpose other than what the funds were originally allocated for; and unspent funds on payments for capital assets may be rolled over only to finalise projects or the acquisition of assets already in progress.
- **Self-financing expenditure:** Spending financed from revenue derived from a vote's specific activities. The revenue is paid into the National Revenue Fund. If self-financing expenditure is approved, these funds are allocated to the vote.
- **Declared unspent funds:** Unspent amounts that will not be spent in the current financial year, explicitly indicated as a reduction to the vote allocation.

³ Section 6.6.

⁴ 'Main division' refers to a budget programme within a vote, and is the formal term used in the PFMA and in appropriation acts. In this publication the term 'programme' is used because this is the more commonly used term in practice.

⁵ Section 43 of the PFMA and section 5 of the Appropriation Act (2017).

⁶ Section 6.3.

⁷ Section 42 and 33 of the PFMA.

⁸ Section 6.4.

- **Direct charges against the National Revenue Fund:** An amount spent in terms of a statute and that is not budgeted for in any programme in a particular vote. These amounts are shown as separate items, such as expenditure on debt-service costs.
- **Gifts, donations and sponsorships:**⁹ Cash amounts exceeding R100 000 per beneficiary are included in the Adjustments Appropriation Bill.

Summary of adjustments for 2017/18

Adjustments to vote appropriations amount to an increase of R14 498.734 million, of which:

- | | |
|---|-----------------------|
| • unforeseeable and unavoidable expenditure | R 585.981 million |
| • expenditure in terms of section 16 of the PFMA | R 5 207.901 million |
| • expenditure earmarked in the 2017 Budget speech for future allocation | R 8 609.099 million |
| • roll-overs | R 216.947 million |
| • self-financing expenditure | R 1 546.784 million |
| • declared unspent funds (reductions to vote allocations) | (R 1 667.978 million) |

Adjustments to estimates of direct charges against the National Revenue Fund amount to R113.668 million less than anticipated at the time of the main Budget, of which:

- | | |
|---|---------------------|
| • debt-service costs | R 994.816 million |
| • National Revenue Fund payments | (R 137.582 million) |
| • skills levy and sector education and training authorities | (R 870.902 million) |
| • magistrates' salaries | (R 100.000 million) |

The adjustments to vote appropriations (R14.499 billion increase) and estimates of direct charges (R113.668 million decrease) are offset against the R6 billion in contingency reserve funds set aside in the main Budget. In addition, the revised budget framework makes provision for approximately R3 billion in projected underspending at national government level, and R1.5 billion in local government repayment to the National Revenue Fund. The total estimated adjustments spending for 2017/18 thus increases by R3.885 billion, from a budgeted R1 409.215 billion to a revised R1 413.1 billion.

Summary tables

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Table 10: Departmental receipts per vote

Table 10.1: Departmental receipts per economic classification

⁹ Treasury Regulation 21.

Table 1: 2017/18 adjusted national budget

R thousand	Main appropriation (ENE)	Adjustments appropriation (AENE)	Adjusted appropriation (AENE)
Appropriation by vote	767 037 868	14 498 734	781 536 602
Main appropriation	767 037 868		
Total adjustments		14 498 734	
Roll-overs		216 947	
Unforeseeable and unavoidable expenditure		585 981	
Section 16 of the PFMA		5 207 901	
Announced in the 2017 Budget		8 609 099	
Self-financing		1 546 784	
Declared unspent funds		(1 667 978)	
Direct charges against the National Revenue Fund	636 177 512	(113 668)	636 063 844
<i>Of which:</i>			
Debt-service costs	162 353 119	994 816	163 347 935
National Revenue Fund payments	387 551	(137 582)	249 969
Skills levy and sector education and training authorities	16 641 456	(870 902)	15 770 554
Magistrates' salaries	2 140 520	(100 000)	2 040 520
Subtotal	1 403 215 380	14 385 066	1 417 600 446
Contingency reserve	6 000 000	(6 000 000)	–
National government projected underspending	–	(3 000 000)	(3 000 000)
Local government repayment to the National Revenue Fund	–	(1 500 000)	(1 500 000)
Total adjustments expenditure estimate	1 409 215 380	3 885 066	1 413 100 446
Main budget revenue	1 242 417 269	(48 960 796)	1 193 456 473
Tax revenue	1 265 488 182	(50 760 810)	1 214 727 372
Non-tax revenue	32 879 960	1 800 014	34 679 974
Less: Estimate of Southern Africa Customs Union payments	(55 950 873)	–	(55 950 873)
Budget balance	(166 798 111)	(52 845 862)	(219 643 973)

Table 2: Adjusted appropriations per vote and adjusted estimates of direct charges against the National Revenue Fund

Vote number and title		2017/18						Adjusted appropriation	Value of Virements and shifts
		Main appropriation	Adjustments appropriation				Total adjustments appropriation		
R thousand			Roll-overs	Unforeseeable/unavoidable	Declared unspent funds	Other adjustments			
1	The Presidency	495 169	6 000	–	–	–	6 000	501 169	655
2	Parliament ¹	1 711 947	–	–	–	–	–	1 711 947	–
3	Communications	1 425 095	11 300	–	(11 195)	3 100	3 205	1 428 300	8 367
4	Cooperative Governance and Traditional Affairs	78 414 485	73 258	26 147	(50 000)	–	49 405	78 463 890	39 036
5	Home Affairs	7 055 539	12 000	–	(100 000)	1 334 800	1 246 800	8 302 339	6 548
6	International Relations and Cooperation	6 574 879	–	–	(166 540)	–	(166 540)	6 408 339	206 470
7	National Treasury	30 799 220	–	–	(237 414)	10 022 500	9 785 086	40 584 306	153 122
8	Planning, Monitoring and Evaluation	923 496	–	–	(25 000)	–	(25 000)	898 496	22 207
9	Public Enterprises	266 696	–	–	–	–	–	266 696	10 320
10	Public Service and Administration	897 144	–	–	(20 000)	–	(20 000)	877 144	14 523
11	Public Works	7 038 130	–	–	(53 000)	–	(53 000)	6 985 130	115 918
12	Statistics South Africa	2 146 313	31 249	–	–	–	31 249	2 177 562	385
13	Women	206 163	–	–	–	–	–	206 163	6 768
14	Basic Education	23 408 620	–	–	(415 000)	–	(415 000)	22 993 620	58 597
15	Higher Education and Training	52 307 639	–	–	–	–	–	52 307 639	261 334
16	Health	42 625 723	–	19 834	–	–	19 834	42 645 557	452 996
17	Social Development	160 707 768	–	–	(350 000)	–	(350 000)	160 357 768	406 377
18	Correctional Services	22 814 124	–	–	–	469	469	22 814 593	183 000
19	Defence and Military Veterans	48 618 790	–	–	–	380 770	380 770	48 999 560	1 697 460
20	Independent Police Investigative Directorate	255 482	–	–	–	–	–	255 482	9 803
21	Justice and Constitutional Development	16 786 788	–	–	–	–	–	16 786 788	489 212
22	Office of the Chief Justice and Judicial Administration	1 018 565	–	–	–	753	753	1 019 318	33 349
23	Police	87 025 128	–	–	–	(264 000)	(264 000)	86 761 128	–
24	Agriculture, Forestry and Fisheries	6 807 034	–	40 000	–	–	40 000	6 847 034	22 950
25	Economic Development	797 237	–	–	–	117 000	117 000	914 237	5 906
26	Energy	8 113 450	31 972	–	–	–	31 972	8 145 422	32 076
27	Environmental Affairs	6 848 214	–	–	–	–	–	6 848 214	48 000
28	Labour	3 065 821	–	–	(10 000)	–	(10 000)	3 055 821	24 080
29	Mineral Resources	1 779 449	–	–	–	–	–	1 779 449	44 733
30	Science and Technology	7 557 229	–	–	–	–	–	7 557 229	18 472
31	Small Business Development	1 449 796	25 874	–	–	–	25 874	1 475 670	34 600
32	Telecommunications and Postal Services	1 614 206	–	–	(139 829)	3 700 000	3 560 171	5 174 377	17 892
33	Tourism	2 140 156	–	–	–	–	–	2 140 156	26 087
34	Trade and Industry	9 274 795	–	–	–	68 392	68 392	9 343 187	517 805
35	Transport	59 795 180	–	–	–	–	–	59 795 180	405 123
36	Water and Sanitation	15 107 449	–	500 000	–	–	500 000	15 607 449	246 671
37	Arts and Culture	4 449 845	11 893	–	(90 000)	–	(78 107)	4 371 738	364 658
38	Human Settlements	33 464 300	13 401	–	–	–	13 401	33 477 701	6 428
39	Rural Development and Land Reform	10 184 240	–	–	–	–	–	10 184 240	737 113
40	Sport and Recreation South Africa	1 066 564	–	–	–	–	–	1 066 564	15 700
Total appropriation by vote		767 037 868	216 947	585 981	(1 667 978)	15 363 784	14 498 734	781 536 602	6 744 741

Table 2: Adjusted appropriations per vote and adjusted estimates of direct charges against the National Revenue Fund (continued)

		2017/18					
		Adjustments appropriation					
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand							
Plus:							
Total direct charges against the National Revenue Fund	636 177 512	–	–	(100 000)	(13 668)	(113 668)	636 063 844
President and Deputy President salaries (The Presidency)	6 373	–	–	–	–	–	6 373
Members' remuneration (Parliament)	556 288	–	–	–	–	–	556 288
Debt-service costs (National Treasury)	162 353 119	–	–	–	994 816	994 816	163 347 935
Provincial equitable share (National Treasury)	441 331 122	–	–	–	–	–	441 331 122
General fuel levy sharing with metropolitan municipalities (National Treasury)	11 785 023	–	–	–	–	–	11 785 023
National Revenue Fund payments (National Treasury)	387 551	–	–	–	(137 582)	(137 582)	249 969
Skills levy and sector education and training authorities (Higher Education and Training)	16 641 456	–	–	–	(870 902)	(870 902)	15 770 554
Magistrates' salaries (Justice and Constitutional Development)	2 140 520	–	–	(100 000)	–	(100 000)	2 040 520
Judges' salaries (Office of the Chief Justice and Judicial Administration)	966 060	–	–	–	–	–	966 060
International Oil Pollution Compensation Fund (Transport)	10 000	–	–	–	–	–	10 000
Subtotal	1 403 215 380	216 947	585 981	(1 767 978)	15 350 116	14 385 066	1 417 600 446
Contingency reserve	6 000 000				(6 000 000)	(6 000 000)	–
National government projected underspending	–	–	–	–	(3 000 000)	(3 000 000)	(3 000 000)
Local government repayment to the National Revenue Fund	–	–	–	–	(1 500 000)	(1 500 000)	(1 500 000)
Total estimated expenditure	1 409 215 380	216 947	585 981	(1 767 978)	4 850 116	3 885 066	1 413 100 446

1. Amendments to Parliaments' budget are determined independently of the national government's budget processes in accordance with the Financial Management of Parliament and Provincial Legislatures Act, (2009) as amended.

Table 2.1: Adjusted appropriations per economic classification

Economic classification		2017/18						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments								
Compensation of employees	154 664 585	–	–	1 246 447	(178 295)	–	1 068 152	155 732 737
Goods and services	65 722 371	30 225	–	(380 019)	(470 549)	1 162 434	342 091	66 064 462
Interest and rent on land	162 458 386	–	–	29 828	–	994 816	1 024 644	163 483 030
Total current payments	382 845 342	30 225	–	896 256	(648 844)	2 157 250	2 434 887	385 280 229
Transfers and subsidies to:								
Provinces and municipalities	650 807 005	27 858	45 981	57 852	–	–	131 691	650 938 696
Departmental agencies and accounts	106 071 840	–	300 000	(1 254 345)	(306 594)	(487 032)	(1 747 971)	104 323 869
Higher education institutions	31 614 341	–	–	(18 504)	–	–	(18 504)	31 595 837
Foreign governments and international organisations	1 971 169	–	–	(8 569)	–	–	(8 569)	1 962 600
Public corporations and private enterprises	37 326 132	57 846	–	(33 090)	–	117 000	141 756	37 467 888
Non-profit institutions	3 981 636	–	–	217 613	–	–	217 613	4 199 249
Households	167 359 781	51 400	40 000	(354 472)	(350 000)	469	(612 603)	166 747 178
Total transfers and subsidies	999 131 904	137 104	385 981	(1 393 515)	(656 594)	(369 563)	(1 896 587)	997 235 317
Payments for capital assets								
Buildings and other fixed structures	11 179 098	31 249	200 000	(326 843)	(415 000)	–	(510 594)	10 668 504
Machinery and equipment	4 538 559	18 369	–	154 614	(8 994)	–	163 989	4 702 548
Heritage assets	9 000	–	–	176 071	(38 546)	–	137 525	146 525
Specialised military assets	1 743	–	–	–	–	–	–	1 743
Biological and cultivated assets	17 673	–	–	39	–	–	39	17 712
Software and other intangible assets	85 393	–	–	107 478	–	–	107 478	192 871
Total payments for capital assets	15 831 466	49 618	200 000	111 359	(462 540)	–	(101 563)	15 729 903
Total payments for financial assets	5 406 668	–	–	385 900	–	13 562 429	13 948 329	19 354 997
Subtotal	1 403 215 380	216 947	585 981	–	(1 767 978)	15 350 116	14 385 066	1 417 600 446
Contingency reserve	6 000 000	–	–	–	–	(6 000 000)	(6 000 000)	–
National government projected underspending	–	–	–	–	–	(3 000 000)	(3 000 000)	(3 000 000)
Local government repayment to the National Revenue Fund	–	–	–	–	–	(1 500 000)	(1 500 000)	(1 500 000)
Total estimated expenditure	1 409 215 380	216 947	585 981	–	(1 767 978)	4 850 116	3 885 066	1 413 100 446

Table 3: Unforeseeable and unavoidable expenditure

Vote and description of expenditure	R thousand
4 Cooperative Governance and Traditional Affairs R26.147 million for reconstruction and rehabilitation to address damages resulting from the sinkhole formation in the Merafong City Local Municipality	26 147
16 Health R19.834 million for the comprehensive HIV, AIDS and tuberculosis grant to provide relief necessary for the malaria outbreak	19 834
24 Agriculture, Forestry and Fisheries R40 million to combat the outbreak of highly pathogenic avian influenza	40 000
36 Water and Sanitation R200 million to implement the Butterworth emergency water supply scheme and R300 million to upgrade the capacity of Thukela Goedertrouw transfer scheme	500 000
Total	585 981

Table 4: Expenditure in terms of section 16 of the PFMA

Vote and description of expenditure	R thousand
7 National Treasury R5 207.901 million to defray expenditure in respect of South African Airways' debt obligations	5 207 901
Total	5 207 901

Table 5: Expenditure earmarked in the 2017 Budget speech for future allocation

Vote and description of expenditure	R thousand
7 National Treasury R4 792.099 million to recapitalise the South African Airways	4 792 099
25 Economic Development R117 million to establish the Tirisano Construction Fund	117 000
32 Telecommunications and Postal Services R3.7 billion to recapitalise the South African Post Office	3 700 000
Total	8 609 099

Table 6: Roll-overs

Vote and description of expenditure	R thousand
1 The Presidency R6 million for employee initiated severance packages	6 000
3 Communications R11.3 million for the digital terrestrial television awareness campaign	11 300
4 Cooperative Governance and Traditional Affairs R45.4 million for former councillors that did not return after the 2016 local government elections and R27.858 million for the municipal demarcation transition grant	73 258
5 Home Affairs R12 million for the installation of voice over internet protocol and video conferencing systems	12 000
12 Statistics South Africa R31.249 million for the capital contribution and unitary fee payable to the public-private partnership for its head office building	31 249
26 Energy R31.972 million for the integrated national electrification programme for non-grid electrification service providers	31 972
31 Small Business Development R25.874 million for the enterprise incubation programme	25 874
37 Arts and Culture R6.925 million for leases and municipal charges, and R4.968 million for ICT servers and software	11 893
38 Human Settlements R13.4 million for ICT network equipment	13 401
Total	216 947

Table 7: Self-financing expenditure

Vote and description of expenditure		R thousand
3 Communications		3 100
	Expenditure by the Government Communication and Information System to produce the Vuk'uzenzele government newspaper, which is funded from revenue generated through advertising in the newspaper	
5 Home Affairs		1 070 800
	Expenditure incurred issuing official documents, which is defrayed by revenue generated from issuing the documents	
7 National Treasury		22 500
	Expenditure for the emolument attachment orders solution project, which is funded from revenue generated from a 5 per cent commission on emolument attachment orders	
18 Correctional Services		469
	Expenditure for offender gratuities, which is funded from revenue generated from the hiring out of offender labour	
19 Defence and Military Veterans		380 770
	R335.4 million for the United Nations' Operation Mistral, in line with reimbursements; and R45.364 million for defence activities, which is defrayed by selling equipment and spares procured through the special defence account	
22 Office of the Chief Justice and Judicial Administration		753
	Expenditure incurred in hosting the fourth congress of the Conference of Constitutional Jurisdictions of Africa, in line with reimbursements	
34 Trade and Industry		68 392
	Unitary payment in respect of the public-private partnership for shared campus accommodation, which is funded from unitary payments received from public entities	
Total		1 546 784

Table 8: Declared unspent funds and projected underspending

Vote and description of expenditure		R thousand
3 Communications		11 195
	R6.4 million from the Government Communication and Information System, and R4.795 million from compensation of employees	
4 Cooperative Governance and Traditional Affairs		50 000
	R50 million from the community work programme	
5 Home Affairs		100 000
	R100 million from the information and modernisation systems project	
6 International Relations and Cooperation		166 540
	R157.3 million due to the difference between exchange rate projections used when the department compiled its budget and the exchange rate costs when payments were processed, and R9.240 million from the South African Development Partnership Agency	
7 National Treasury		237 414
	R237.414 million from the Jobs Fund	
8 Planning, Monitoring and Evaluation		25 000
	R25 million from compensation of employees	
10 Public Service and Administration		20 000
	R10.5 million from compensation of employees, R6.6 million from the National School of Government, and R2.9 million from the Public Service Commission	
11 Public Works		53 000
	R38 million from compensation of employees, and R15 million from prestige accommodation projects	
14 Basic Education		415 000
	R415 million from the school infrastructure backlogs grant	
17 Social Development		350 000
	R350 million from social grant payments due to a decrease in the estimate of assistance required	
28 Labour		10 000
	R10 million from compensation of employees	
32 Telecommunications and Postal Services		139 829
	R139.829 million from the South Africa Connect broadband project	
37 Arts and Culture		90 000
	R90 million from capital projects	
Total declared unspent funds		1 667 978
Projected underspending		3 000 000
Local government repayment to the National Revenue Fund		1 500 000
Total		6 167 978

Table 9: Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Vote number and title		2016/17				2017/18			
		Audited outcome				Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16	Apr 16 - Mar 17	Apr 16 - Mar 17	Adjusted appropriation	Apr 17 - Sep 17	Apr 17 - Sep 17	
			% of adjusted appropriation	% of adjusted appropriation				% of adjusted appropriation	
1	The Presidency	489 775	239 241	48.8	475 333	97.1	501 169	213 335	42.6
2	Parliament ¹	1 659 631	—	0.0	1 738 872	104.8	1 711 947	—	0.0
3	Communications	1 349 720	666 766	49.4	1 335 742	99.0	1 428 300	675 655	47.3
4	Cooperative Governance and Traditional Affairs	73 021 906	27 904 621	38.2	69 852 230	95.7	78 463 890	31 187 060	39.7
5	Home Affairs	8 155 805	4 483 402	55.0	8 143 524	99.8	8 302 339	3 908 130	47.1
6	International Relations and Cooperation	6 838 651	3 152 934	46.1	6 844 930	100.1	6 408 339	2 853 766	44.5
7	National Treasury	28 471 417	15 619 838	54.9	28 199 783	99.0	40 584 306	16 674 554	41.1
8	Planning, Monitoring and Evaluation	797 662	433 950	54.4	781 246	97.9	898 496	447 438	49.8
9	Public Enterprises	267 976	117 826	44.0	253 779	94.7	266 696	114 806	43.0
10	Public Service and Administration	779 846	395 332	50.7	763 271	97.9	877 144	401 312	45.8
11	Public Works	6 512 799	3 255 767	50.0	6 403 346	98.3	6 985 130	3 393 357	48.6
12	Statistics South Africa	2 538 108	1 284 075	50.6	2 461 205	97.0	2 177 562	1 003 785	46.1
13	Women	196 887	96 475	49.0	194 739	98.9	206 163	96 532	46.8
14	Basic Education	22 413 461	11 711 701	52.3	21 476 064	95.8	22 993 620	12 630 912	54.9
15	Higher Education and Training	49 188 279	33 508 228	68.1	49 137 562	99.9	52 307 639	38 316 211	73.3
16	Health	38 597 416	18 911 750	49.0	38 496 186	99.7	42 645 557	21 111 646	49.5
17	Social Development	147 933 229	72 717 563	49.2	147 342 628	99.6	160 357 768	79 160 119	49.4
18	Correctional Services	21 580 191	10 993 766	50.9	21 542 174	99.8	22 814 593	10 681 474	46.8
19	Defence and Military Veterans	47 236 465	22 625 697	47.9	47 197 094	99.9	48 999 560	23 220 134	47.4
20	Independent Police Investigative Directorate	242 111	134 768	55.7	241 731	99.8	255 482	138 140	54.1
21	Justice and Constitutional Development	16 040 736	7 892 363	49.2	16 039 022	100.0	16 786 788	7 839 643	46.7
22	Office of the Chief Justice and Judicial Administration	873 990	390 250	44.7	855 644	97.9	1 019 318	488 350	47.9
23	Police	80 984 851	38 921 817	48.1	80 984 836	100.0	86 761 128	42 109 706	48.5
24	Agriculture, Forestry and Fisheries	6 514 965	3 370 408	51.7	6 490 827	99.6	6 847 034	3 432 943	50.1
25	Economic Development	674 661	341 260	50.6	665 083	98.6	914 237	423 294	46.3
26	Energy	7 550 556	4 667 008	61.8	7 512 842	99.5	8 145 422	4 394 854	54.0
27	Environmental Affairs	6 425 101	2 708 633	42.2	6 380 971	99.3	6 848 214	2 624 951	38.3
28	Labour	2 842 877	1 406 093	49.5	2 761 585	97.1	3 055 821	1 330 203	43.5
29	Mineral Resources	1 669 077	917 784	55.0	1 661 101	99.5	1 779 449	948 201	53.3
30	Science and Technology	7 428 996	5 101 856	68.7	7 383 594	99.4	7 557 229	3 184 519	42.1
31	Small Business Development	1 318 439	617 810	46.9	1 197 041	90.8	1 475 670	699 381.00	47.4
32	Telecommunications and Postal Services	2 417 412	1 379 362	57.1	2 075 692	85.9	5 174 377	732 612	14.2
33	Tourism	2 009 516	1 007 050	50.1	1 919 646	95.5	2 140 156	1 182 082	55.2
34	Trade and Industry	10 389 517	4 539 516	43.7	10 349 396	99.6	9 343 187	3 797 185	40.6
35	Transport	56 285 854	25 534 113	45.4	56 403 659	100.2	59 795 180	27 641 822	46.2
36	Water and Sanitation	15 524 597	7 371 163	47.5	15 635 438	100.7	15 607 449	6 961 733	44.6
37	Arts and Culture	4 062 572	1 976 252.00	48.6	3 957 467	97.4	4 371 738	2 052 704	47.0
38	Human Settlements	30 696 356	13 029 754	42.4	30 587 231	99.6	33 477 701	13 063 652	39.0
39	Rural Development and Land Reform	10 124 345	4 310 029	42.6	10 066 999	99.4	10 184 240	3 771 605	37.0
40	Sport and Recreation South Africa	1 026 600	485 817	47.3	1 023 622	99.7	1 066 564	474 550	44.5
Total		723 132 353	354 222 038	49.0	716 833 135	99.1	781 536 602	373 382 356	47.8

Table 9: Expenditure outcome for 2016/17 and actual expenditure for 2017/18 (continued)

	2016/17					2017/18		
	Audited outcome					Actual expenditure		
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Plus:								
Total direct charges against the National Revenue Fund	589 792 956	289 500 467	49.1	588 652 576	99.8	636 063 844	312 829 651	49.2
President and Deputy President salaries (The Presidency)	6 035	2 917	48.3	5 713	94.7	6 373	2 796	43.9
Members' remuneration (Parliament)	529 798	–	0.0	436 488	82.4	556 288	–	0.0
Debt-service costs (National Treasury)	147 689 225	71 684 052	48.5	146 496 697	99.2	163 347 935	78 626 155	48.1
Provincial equitable share (National Treasury)	410 698 585	205 349 310	50.0	410 698 585	100.0	441 331 122	220 665 568	50.0
General fuel levy sharing with metropolitan municipalities (National Treasury)	11 223 831	3 741 276	33.3	11 223 830	100.0	11 785 023	3 928 341	33.3
National Revenue Fund payments (National Treasury)	1 221 393	231 434	18.9	1 778 016	145.6	249 969	249 969	100.0
Skills levy and sector education and training authorities (Higher Education and Training)	15 462 170	7 127 910	46.1	15 233 009	98.5	15 770 554	7 953 809	50.4
Magistrates' salaries (Justice and Constitutional Development)	2 010 162	886 902	44.1	1 845 713	91.8	2 040 520	924 591	45.3
Judges' salaries (Office of the Chief Justice and Judicial Administration)	950 057	476 666	50.2	930 704	98.0	966 060	478 422	49.5
International Oil Pollution Compensation Fund (Transport)	1 700	–	0.0	3 821	224.8	10 000	–	0.0
Total	1 312 925 309	643 722 505	49.0	1 305 485 711	99.4	1 417 600 446	686 212 007	48.4
Economic classification								
Current payments								
Compensation of employees	148 253 807	72 251 750	48.7	147 114 270	99.2	155 732 737	77 003 899	49.4
Goods and services	65 050 111	29 449 003	45.3	62 987 357	96.8	66 064 462	25 785 596	39.0
Interest and rent on land	147 805 097	71 713 440	48.5	146 613 016	99.2	163 483 030	78 697 338	48.1
Total current payments	361 109 015	173 414 193	48.0	356 714 643	98.8	385 280 229	181 486 834	47.1
Transfers and subsidies								
Provinces and municipalities	606 521 418	290 715 501	47.9	604 387 336	99.6	650 938 696	313 775 892	48.2
Departmental agencies and accounts	100 938 246	55 814 727	55.3	100 094 997	99.2	104 323 869	57 246 694	54.9
Higher education institutions	30 064 951	20 949 610	69.7	30 203 934	100.5	31 595 837	23 520 029	74.4
Foreign governments and international organisations	2 551 251	814 745	31.9	2 550 991	100.0	1 962 600	1 424 267	72.6
Public corporations and private enterprises	33 353 339	15 833 596	47.5	33 880 069	101.6	37 467 888	14 835 991	39.6
Non-profit institutions	3 909 116	1 539 039	39.4	3 897 823	99.7	4 199 249	1 603 791	38.2
Households	153 262 121	74 058 632	48.3	151 907 101	99.1	166 747 178	81 083 142	48.6
Total transfers and subsidies	930 600 442	459 725 850	49.4	926 922 251	99.6	997 235 317	493 489 806	49.5
Payments for capital assets								
Buildings and other fixed structures	10 775 046	4 676 245	43.4	10 798 331	100.2	10 668 504	4 114 244	38.6
Machinery and equipment	4 283 790	867 399	20.2	3 703 477	86.5	4 702 548	1 361 801	29.0
Heritage assets	2 000	–	0.0	8	0.4	146 525	28 702	19.6
Specialised military assets	7 553	11 454	151.6	7 553	100.0	1 743	135	7.7
Biological assets	10 211	4 777	46.8	7 242	70.9	17 712	1 934	10.9
Land and subsoil assets	4 406	15 829	359.3	104 403	2 369.6	–	15 736	–
Software and other intangible assets	152 644	32 447	21.3	558 636	366.0	192 871	93 132	48.3
Total payments for capital assets	15 235 650	5 608 151	36.8	15 179 650	99.6	15 729 903	5 615 684	35.7
Total payments for financial assets	5 980 202	4 974 311	83.2	6 669 167	111.5	19 354 997	5 619 683	29.0
Total	1 312 925 309	643 722 505	49.0	1 305 485 711	99.4	1 417 600 446	686 212 007	48.4

1. Amendments to Parliaments' budget are determined independently of the national government's budget processes in accordance with the Financial Management of Parliament and Provincial Legislatures Act, (2009) as amended.

Table 10: Departmental receipts per vote

Vote number and title		2016/17				2017/18			
		Audited outcome				Actual receipts			
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
R thousand									
1 The Presidency	1 069	593	55.5	1 365	127.7	368	1 046	824	78.8
2 Parliament ¹	36 066	–	0.0	29 015	80.4	19 182	19 182	–	0.0
3 Communications	1 026 751	852 752	83.1	1 171 168	114.1	1 036 565	1 036 995	541 224	52.2
4 Cooperative Governance and Traditional Affairs	1 165	940	80.7	23 451	2 013.0	1 261	1 875	1 102	58.8
5 Home Affairs	962 325	608 194	63.2	1 099 536	114.3	1 071 205	1 077 037	309 925	28.8
6 International Relations and Cooperation	24 340	19 354	79.5	29 000	119.1	38 464	38 464	17 172	44.6
7 National Treasury	19 852 759	15 342 199	77.3	19 191 857	96.7	19 688 655	20 821 329	10 613 027	51.0
8 Planning, Monitoring and Evaluation	602	426	70.8	1 215	201.8	244	1 530	1 006	65.8
9 Public Enterprises	1 083	40	3.7	5 213	481.3	105	1 161	101	8.7
10 Public Service and Administration	653	139	21.3	757	115.9	687	740	311	42.0
11 Public Works	2 764	1 834	66.4	14 608	528.5	1 384	1 809	1 291	71.4
12 Statistics South Africa	3 207	1 616	50.4	8 580	267.5	1 219	1 825	1 292	70.8
13 Women	306	281	91.8	576	188.2	36	40	14	35.0
14 Basic Education	16 001	7 823	48.9	15 521	97.0	7 742	15 189	9 062	59.7
15 Higher Education and Training	37 883	30 204	79.7	25 549	67.4	12 184	29 065	15 810	54.4
16 Health	69 125	34 548	50.0	59 233	85.7	8 112	59 524	54 361	91.3
17 Social Development	49 416	199	0.4	77 546	156.9	88 698	29 964	713	2.4
18 Correctional Services	130 978	66 840	51.0	147 484	112.6	132 231	148 798	84 551	56.8
19 Defence and Military Veterans	842 710	519 118	61.6	1 387 310	164.6	1 051 761	1 051 761	309 494	29.4
20 Independent Police Investigative Directorate	307	222	72.3	285	92.8	201	218	88	40.4
21 Justice and Constitutional Development	460 254	185 877	40.4	371 360	80.7	390 346	397 717	163 018	41.0
22 Office of the Chief Justice and Judicial Administration	784	499	63.6	929	118.5	796	1 869	1 565	83.7
23 Police	497 993	269 285	54.1	756 016	151.8	356 004	588 521	352 118	59.8
24 Agriculture, Forestry and Fisheries	227 198	108 582	47.8	202 706	89.2	241 533	246 223	129 956	52.8
25 Economic Development	908 376	202 714	22.3	137 336	15.1	921 338	321 338	117 647	36.6
26 Energy	5 975	3 546	59.3	956 905	16 015.1	6 054	6 002	2 873	47.9
27 Environmental Affairs	28 294	14 719	52.0	21 180	74.9	20 747	32 733	22 404	68.4
28 Labour	12 866	6 433	50.0	11 702	91.0	11 606	17 168	9 998	58.2
29 Mineral Resources	30 157	18 859	62.5	38 072	126.2	29 733	40 250	19 740	49.0
30 Science and Technology	7 000	5 725	81.8	8 199	117.1	242	8 189	4 095	50.0
31 Small Business Development	50	24	48.0	88	176.0	55	210	168	80.0
32 Telecommunications and Postal Services	559 537	559 413	100.0	831 411	148.6	508 090	654 413	653 467	99.9
33 Tourism	5 274	4 667	88.5	5 321	100.9	1 833	1 756	843	48.0
34 Trade and Industry	82 155	47 601	57.9	98 092	119.4	69 000	68 521	29 081	42.4
35 Transport	276 607	25 723	9.3	290 260	104.9	295 589	270 440	873	0.3
36 Water and Sanitation	20 874	17 123	82.0	20 964	100.4	14 146	7 386	4 201.000	56.9
37 Arts and Culture	2 342	1 031	44.0	1 262	53.9	1 940	1 288	436	33.9
38 Human Settlements	764	339	44.4	539	70.5	235	452	229	50.7
39 Rural Development and Land Reform	95 812	25 831	27.0	89 761	93.7	61 022	98 619	36 807	37.3
40 Sport and Recreation South Africa	92	46	50.0	97	105.4	295	170	43	25.3
Subtotal departmental receipts as per Adjusted Estimates of National Expenditure	26 281 914	18 985 359	72.2	27 131 469	103.2	26 090 908	27 100 817	13 510 930	49.9
Less: Parliament (retained departmental receipts)	36 066	–	0.0	29 015	80.4	19 182	19 182	–	0.0
Plus: South African Revenue Services	4 877 635	2 314 451	47.5	5 913 366	121.2	6 808 234	7 598 339	7 598 339	100.0
<i>Of which:</i>									
Mineral and petroleum royalties	4 840 206	2 292 829	47.4	5 801 670	119.9	6 688 384	7 408 901	7 408 901	100.0
Mining leases and ownership	37 429	21 622	57.8	111 696	298.4	119 850	189 438	189 438	100.0
Total departmental receipts	31 123 483	21 299 810	68.4	33 015 820	106.1	32 879 960	34 679 974	21 109 269	60.9

1. Amendments to Parliaments' budget are determined independently of the national government's budget processes in accordance with the Financial Management of Parliament and Provincial Legislatures Act (2009) as amended.

Table 10.1: Departmental receipts per economic classification

	2016/17					2017/18			
	Adjusted estimate	Audited outcome				Actual receipts			
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts									
Tax receipts	4 000	1 781	44.5	4 862	121.6	5 200	4 800	1 734	36.1
Sales of goods and services other than capital assets	2 124 044	1 292 315	60.8	2 590 150	121.9	2 109 206	2 305 201	985 818	42.8
Transfers received	235 398	93 198	39.6	447 606	190.1	541 236	556 147	12 597	2.3
Fines, penalties and forfeits	1 217 764	332 710	27.3	419 007	34.4	1 174 662	591 688	257 587	43.5
Interest, dividends and rent on land	5 053 364	2 105 539	41.7	5 299 598	104.9	4 894 138	4 078 642	2 200 576	54.0
Sales of capital assets	171 304	84 689	49.4	148 237	86.5	83 742	145 999	92 414	63.3
Financial transactions in assets and liabilities	17 476 040	15 075 127	86.3	18 222 009	104.3	17 282 724	19 418 339	9 960 204	51.3
Subtotal departmental receipts as per Adjusted Estimates of National Expenditure	26 281 914	18 985 359	72.2	27 131 469	103.2	26 090 908	27 100 817	13 510 930	49.9

Information contained in each chapter

The Adjusted Estimates of National Expenditure provides detailed information for each vote in the Adjustments Appropriation Bill, following the layout shown below.

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated				
of which:				
Current payments				
Transfers and subsidies				
Payments for capital assets				
Payments for financial assets				
Direct charge against the National Revenue Fund				
Executive authority				
Accounting officer				
Website address				

This table summarises the adjustments to the main Budget by main economic classification.

Main appropriation shows the total amount voted by main economic classification for the current financial year in the Appropriation Act (2017), in terms of the main Budget process.

Adjusted appropriation shows the adjusted total amount to be voted for the current financial year, which is the sum of the main appropriation and all the adjustments.

Decrease and **Increase** shows the total amount resulting from all the adjustments per classification category.

Current payments are payments made by a department for its operational requirements.

Transfers and subsidies are payments made by a department for which the department does not directly receive anything in return.

Payments for capital assets are payments made by a department for an asset that can be used for more than one year, and from which future economic benefits or service potential are expected to flow.

Payments for financial assets are mainly payments made by departments as loans to public corporations or as equity investments in public corporations. The reason for reflecting the payments as expenditure, rather than as financing, is because the purpose of the transaction is not profit oriented. This row is shown only in votes where such payments have been budgeted for. Payments for theft and losses are included in this category. However, it is not possible to budget for these in advance and, if applicable, payments will thus appear only in the historical information once they are known.

Direct charge against the National Revenue Fund is an amount spent in terms of a statute and that is not budgeted for in any programme in a particular vote. Hence it is shown as a separate item and is not contained in the Adjustments Appropriation Bill.

The last three rows of the table provide accountability information: the vote's executive authority, accounting officer and website address.

Vote purpose

The purpose of the vote captures a department's mandate, objectives or administrative functions, as stated in the Adjustments Appropriation Bill.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18

Managing, monitoring and measuring performance are integral to improving service delivery. The table¹⁰ shows what a department has achieved in the first six months of the current financial year, compared to what it projected for the year.

An **Indicator** is a measure that tracks a department's progress towards meeting the target it has set. An indicator may measure inputs, activities, outputs and outcomes, or in certain instances, explanatory information relating to the internal or external environment.

The **Programme** column links the indicator to the vote programme associated with it.

The **Outcome** column links the indicator to one or more of the 14 outcomes targeted in government's 2014-2019 medium-term strategic framework.

Projected for 2017/18 as published in the 2017 ENE shows what the department projected it would achieve for the current financial year.

Achieved in the first six months of 2017/18 shows what the department has actually achieved in the first half of the current financial year.

Changed target for 2017/18 shows any changes to the targets originally published in the ENE. Estimates will change only in some of the cases where the funding provided for a particular programme has been amended in the Adjustments Appropriation Bill.

Changes to indicators and targets published in the 2017 ENE

Any specified deviations from stated performance targets for the current financial year are briefly explained, as well as any changes to the indicators themselves. Changes to indicators and/or targets are strictly confined to those arising from technical financial amendments made to a vote's estimates of expenditure.

Mid-year progress

A brief discussion is provided on the department's mid-year progress towards achieving the targets that were set. The focus of the discussion is on indicators for which mid-year performance figures suggest that either an annual target might not be met, or that it might be exceeded.

¹⁰ The table presents only a selected subset of a department's performance indicators and is not intended to provide a comprehensive view of departmental performance. It does, however, contain key performance indicators linked to the department's budget and to government's performance management system, annual performance plans and ministerial service delivery agreements.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme name								
Subtotal								
Direct charge against the National Revenue Fund								
Item								
Total								
Economic classification								
Current payments								
Economic classification item								
Transfers and subsidies								
Economic classification item								
Payments for capital assets								
Economic classification item								
Payments for financial assets								
Total								

In this table, a vote's adjusted estimates of expenditure are set out by the type of expenditure adjustment by vote programme and by economic classification (current payments, transfers and subsidies, payments for capital assets and payments for financial assets).

Main appropriation shows the total amount voted per programme and by economic classification for the current financial year in the Appropriation Act (2017), in terms of the main Budget process.

Adjustments appropriation shows the amounts of the adjustments for each type of expenditure adjustment, by programme and economic classification, and in aggregate.

Roll-overs show unspent funds from the previous financial year reallocated to the current financial year, to finalise activities close to completion.

Unforeseeable/unavoidable shows spending that could not be anticipated at the time when the main Budget was being finalised.

Virements and shifts:

- **Virements** are the use of unspent funds from amounts appropriated under one programme to defray excess expenditure under another programme within the same vote.
- **Shifts within votes** are the use of unspent funds to defray increased expenditure within a programme of a vote, by shifting funds between the different segments (subprogramme and economic classification) of the programme.

Declared unspent funds are amounts that will not be spent in the current financial year, explicitly indicated by vote. The main appropriation of the vote is accordingly reduced by such amounts.

Other adjustments include funds shifted within votes following a function shift, all funds shifted between votes, expenditure earmarked in the 2017 Budget speech for future allocation, expenditure in terms of section 16 of the PFMA, and self-financing expenditure.

Total adjustments appropriation shows the sum of all the expenditure adjustments, by programme and by economic classification. This number may be negative. In most instances, this would be because of a virement of funds out of the programme or economic classification, or because of function shifts within or across votes.

Adjusted appropriation shows the adjusted total amount to be voted for the current financial year, which is the sum of the main appropriation and the total adjustments appropriation.

Similar tables are then shown for each programme for which adjustments have been made, and for direct charges against the National Revenue Fund.

Details of adjustments to the Estimates of National Expenditure 2017

This section gives explanations by programme for:

- Roll-overs
- Unforeseeable and unavoidable expenditure
- Virements and shifts within votes

Virements and shifts within votes

Programmes					
1. Programme name					
2. Programme name					
3. Programme name					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme number			Programme number		
Economic classification item			Economic classification item		
Shifts within the programme as a percentage of the programme budget		per cent			
Virements to other programmes as a percentage of the programme budget		per cent			
Programme number			Programme number		
Economic classification item			Economic classification item		
			Programme number		
			Economic classification item		
Shifts within the programme as a percentage of the programme budget		per cent			
Virements to other programmes as a percentage of the programme budget		per cent			
Total					
1. National Treasury approval has been obtained.					
2. Only the legislature may approve this virement.					

FROM: specifies where funds have been reduced, by programme and by economic classification item. Virements to other programmes and shifts within the same programme are shown as a percentage of the programme budget.

Motivation states the reasons for funding reductions or the reasons for funds being made available.

TO: specifies what the funds will be used for, by programme and by economic classification item. These funds, which increase expenditure, offset the funding reductions.

R thousands shows the monetary amounts.

Certain types of virements and shifts require, either legislative approval, or approval from National Treasury before they can be effected. All virements and shifts that have National Treasury's approval or that can be approved only by the legislature are footnoted in this table.

In terms of the PFMA¹¹, the Treasury Regulations¹¹, the Appropriation Act (2017)¹¹, and the Adjustments Appropriation Bill (2017)¹¹, the following virements and shifts require approval from National Treasury. Those which:

- increase the funds appropriated for transfers and subsidies to other institutions
- increase funds appropriated for compensation of employees
- introduce a new transfer to other institutions
- use funds appropriated for transfers and subsidies, provided that the funds are used within the same programme
- use funds appropriated for compensation of employees, provided that the funds are to be used for transfers and subsidies for the payment of severance or exit packages
- use funds that were earmarked by the National Treasury in the allocation letter for a specific purpose for other purposes
- use funds appropriated for payments for capital assets.

The following virements and shifts can be approved only by the legislature¹¹. Those which:

- use funds appropriated for items specifically and exclusively earmarked in an appropriation act
- use funds totalling more than 8 per cent of the amount appropriated for a programme. (Shifts between different segments within a programme do not affect the overall amount appropriated for a programme; only virements from a programme effectively reduce a programme budget.)
- use funds appropriated for compensation of employees that cannot be approved by National Treasury
- use funds appropriated as transfers and subsidies that cannot be approved by National Treasury.

After the virements and shifts table, the remaining explanations are given for:

- Declared unspent funds
- Other adjustments, which include funds shifted within votes following a function shift, all funds shifted between votes, expenditure earmarked in the 2017 Budget speech for future allocation, expenditure in terms of section 16 of the PFMA, and self-financing expenditure
- Gifts, donations and sponsorships
- Direct charges against the National Revenue Fund (these are not linked to a programme within a vote).

¹¹ Section 43 of the PFMA, read in conjunction with Treasury Regulation 6.3, section 5 of the Appropriation Act (2017), and section 5 of the Adjustments Appropriation Bill (2017).

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
1. Programme name									
Subtotal									
Direct charge against the National Revenue Fund									
Item									
Total									
Economic classification									
Current payments									
Economic classification item									
Transfers and subsidies									
Economic classification item									
Payments for capital assets									
Economic classification item									
Payments for financial assets									
Total									

This table shows the expenditure outcome for the previous financial year and the preliminary actual expenditure for the first six months of the current financial year by programme and economic classification.

2016/17 Audited outcome shows the outcome for the previous financial year.

Adjusted appropriation shows the adjusted total amount voted for the previous financial year.

Apr 16 to Sep 16 shows the expenditure outcome for the first six months of the previous financial year.

Apr 16 to Sep 16 % of adjusted appropriation shows the expenditure outcome for the first six months of the previous financial year as a percentage of the adjusted appropriation for that year.

Apr 16 to Mar 17 shows the expenditure outcome for the previous financial year.

Apr 16 to Mar 17 % of adjusted appropriation shows the expenditure outcome for the previous financial year as a percentage of the adjusted appropriation for that year.

2017/18 Actual expenditure shows the preliminary actual expenditure for the current financial year.

Adjusted appropriation shows the adjusted total amount to be voted for the current financial year.

Adjusted appropriation / Total (%) shows what proportion the adjusted budget for a specific segment comprises of the total vote's adjusted budget, as a percentage, for the current financial year. The proportion is shown for each vote programme and economic classification item, relative to the vote's total adjusted budget.

Apr 17 to Sep 17 shows the actual expenditure for the first six months of the current financial year.

Apr 17 to Sep 17 % of adjusted appropriation shows the actual expenditure for the first six months of the current financial year as a percentage of the adjusted appropriation for the year.

Expenditure trends for the first half of 2017/18

The mid-year preliminary expenditure outcome for the current financial year is compared to the mid-year expenditure for the previous year. Explanations are given for significant changes in expenditure patterns

compared to the previous financial year. The preliminary expenditure outcome in the current year is also compared and explained in relation to the budgeted full-year expenditure as tabled in the main Budget.

Where functions have shifted between votes subsequent to the publication of the 2016 Adjusted Estimates of National Expenditure, the information in this publication may not be strictly comparable with information published last year.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
R thousand										
Departmental receipts										
Economic classification item										
National Revenue Fund receipts										
Economic classification item										
Total										

This table shows the departmental receipts outcome for the previous financial year and the preliminary actual departmental receipts for the first six months of the current financial year.

2016/17 Audited outcome shows the departmental receipts outcome for the previous financial year.

Adjusted estimate shows the adjusted total amount of receipts in the previous year's adjustments budget.

Apr 16 to Sep 16 shows the receipts outcome for the first six months of the previous financial year.

Apr 16 to Sep 16 % of adjusted estimate shows the receipts outcome for the first six months of the previous financial year as a percentage of the adjusted estimate for that year.

Apr 16 to Mar 17 shows the receipts outcome for the previous financial year.

Apr 16 to Mar 17 % of adjusted estimate shows the receipts outcome for the previous financial year as a percentage of the adjusted estimate for that year.

2017/18 Actual receipts shows the preliminary receipts outcome for the current financial year.

Budget estimate shows the total amount of receipts anticipated for the current financial year in the main Budget.

Adjusted estimate shows the adjusted total amount of receipts anticipated in the adjustments budget for the current financial year.

Adjusted receipts estimate / Total (%) shows what proportion the adjusted receipt for a specific item comprises of the total adjusted estimate of vote receipts, as a percentage, for the current financial year. The proportion is shown for each economic classification item, relative to the vote's total adjusted receipts estimate.

Apr 17 to Sep 17 shows the preliminary receipts outcome for the first six months of the current financial year.

Apr 17 to Sep 17 % of adjusted estimate shows the preliminary receipts outcome for the first six months of the current financial year as a percentage of the adjusted estimate for the year.

Revenue trends for the first half of 2017/18

The mid-year preliminary receipts outcome for the current financial year is compared to the mid-year revenue for the previous year. Explanations are given for significant changes in revenue patterns compared to the previous financial year. The preliminary receipts outcome in the current year is also compared and explained in relation to projected full-year revenue as tabled in the main Budget.

Where functions have shifted between votes subsequent to the publication of the 2016 Adjusted Estimates of National Expenditure, the information in this publication may not be strictly comparable with information published last year.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2017/18 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme name								
Economic sphere								
Current								
Economic classification item								
Programme name								
Economic sphere								
Capital								
Economic classification item								

Summary of changes to conditional grants: Provinces

R thousand	Main appropriation	2017/18 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme name								
Conditional grant name								

Summary of changes to conditional grants: Local government

R thousand	Main appropriation	2017/18 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme name								
Conditional grant name								

These tables show changes to transfers and subsidies, and to conditional grants (provinces and local government), by programme.

Main appropriation shows the total amount voted per programme and by economic classification for the current financial year in the Appropriation Act (2017), in terms of the main Budget process.

Adjustments appropriation shows the amounts of the adjustments for each type of expenditure adjustment, by programme and in aggregate.

Roll-overs show unspent funds from the previous financial year reallocated to the current financial year, to finalise activities close to completion.

Unforeseeable/unavoidable expenditure shows spending that could not be anticipated at the time when the main Budget was being finalised.

Virements and shifts:

- **Virements** are the use of unspent funds from amounts appropriated under one programme (main division) to defray excess expenditure under another programme (main division) within the same vote.
- **Shifts within votes** are the use of unspent funds to defray increased expenditure within a programme of a vote, through shifting funds between the different segments (subprogramme and economic classification) of the programme. Shifts may include funds reallocated to correct classification errors made during the ENE process.

Declared unspent funds are amounts that will not be spent in the current financial year, explicitly indicated by vote. The main appropriation of the vote is accordingly reduced by such amounts.

Other adjustments include funds shifted within votes following a function shift, all funds shifted between votes, expenditure earmarked in the 2017 Budget speech for future allocation, expenditure in terms of section 16 of the PFMA, and self-financing expenditure.

Total adjustments appropriation shows the sum of all the expenditure adjustments, by programme and by economic classification. This number may be negative. In most instances, this would be because of a virement of funds out of the programme or economic classification, or because of function shifts within or across votes.

Adjusted appropriation shows the adjusted total amount to be voted for the current financial year, which is the sum of the main appropriation and the total adjustments appropriation.

Vote 1

The Presidency

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	495 169	501 169	(155)	6 155
of which:				
Current payments	480 815	480 660	(155)	–
Transfers and subsidies	36	6 191	–	6 155
Payments for capital assets	14 318	14 318	–	–
Direct charge against the National Revenue Fund	6 373	6 373	–	–
Executive authority	Minister in the Presidency: Planning, Monitoring and Evaluation			
Accounting officer	Chief Operations Officer in the Presidency			
Website address	www.thepresidency.gov.za			

Vote purpose

Facilitate a common programme towards the achievement of the electoral mandate and the enhanced integrity of the state through considered planning, coordination, oversight, mobilisation and support.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Annual domestic programme of the president developed and approved	Administration	Outcome 12: An efficient, effective and development-oriented public service	2018/19 programme signed off by chief operations officer	– ¹	–
Annual international relations programme of the president developed and approved	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	2018/19 programme signed off by chief operations officer	– ¹	–
Annual domestic programme of the deputy president developed and approved	Administration	Outcome 12: An efficient, effective and development-oriented public service	2018/19 programme signed off by chief operations officer	– ¹	–
Annual international relations programme of the deputy president developed and approved	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	2018/19 programme signed off by chief operations officer	– ¹	–
Annual Cabinet and forum of South African directors general programme developed and approved	Executive Support	Outcome 12: An efficient, effective and development-oriented public service	2018/19 programme approved by the third quarter	– ¹	–
Annual report on the implementation of the annual Cabinet and forum of South African directors general programme	Executive Support		Report on implementation of the 2017 annual Cabinet and forum of South African directors general programme developed	– ¹	–
Number of forums of South African directors general secretariat working sessions supporting the implementation of the revised improvement plan per year	Executive Support		4	2	–

1. Achievement will be available only in the third and fourth quarters of 2017/18.

Mid-year progress

The 2018/19 annual domestic and international relations programmes for the president and the deputy president will be developed by the end of the fourth quarter of 2017/18.

The 2018/19 annual programme for Cabinet and forum of South African directors general will be developed in the third quarter of 2017/18, and the annual report on the implementation of the 2017/18 annual programme will be developed in the fourth quarter.

The department is on track to meet its annual targets.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	449 000	4 680	–	650	–	–	5 330	454 330
Executive Support	46 169	1 320	–	(650)	–	–	670	46 839
Sub-total	495 169	6 000	–	–	–	–	6 000	501 169
Direct charge against the National Revenue Fund	6 373	–	–	–	–	–	–	6 373
Salary of the President	3 438	–	–	–	–	–	–	3 438
Salary of the Deputy President	2 935	–	–	–	–	–	–	2 935
Total	501 542	6 000	–	–	–	–	6 000	507 542
Economic classification								
Current payments	487 188	–	–	(155)	–	–	(155)	487 033
Compensation of employees	318 384	–	–	(150)	–	–	(150)	318 234
Goods and services	168 804	–	–	(5)	–	–	(5)	168 799
Transfers and subsidies	36	6 000	–	155	–	–	6 155	6 191
Provinces and municipalities	–	–	–	5	–	–	5	5
Departmental agencies and accounts	36	–	–	–	–	–	–	36
Households	–	6 000	–	150	–	–	6 150	6 150
Payments for capital assets	14 318	–	–	–	–	–	–	14 318
Machinery and equipment	14 318	–	–	–	–	–	–	14 318
Total	501 542	6 000	–	–	–	–	6 000	507 542

Programme 1: Administration

Subprogramme		2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
Management	333 827	3 010	–	2 878	–	–	5 888	339 715
Support Service to President	62 268	460	–	(933)	–	–	(473)	61 795
Support Service to Deputy President	52 905	1 210	–	(1 295)	–	–	(85)	52 820
Total	449 000	4 680	–	650	–	–	5 330	454 330
Economic classification								
Current payments	435 763	–	–	495	–	–	495	436 258
Compensation of employees	295 718	–	–	–	–	–	–	295 718
Goods and services	140 045	–	–	495	–	–	495	140 540
Transfers and subsidies	36	4 680	–	155	–	–	4 835	4 871
Provinces and municipalities	–	–	–	5	–	–	5	5
Departmental agencies and accounts	36	–	–	–	–	–	–	36
Households	–	4 680	–	150	–	–	4 830	4 830
Payments for capital assets	13 201	–	–	–	–	–	–	13 201
Machinery and equipment	13 201	–	–	–	–	–	–	13 201
Total	449 000	4 680	–	650	–	–	5 330	454 330

Programme 2: Executive Support

Subprogramme	Main appropriation	2017/18 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Cabinet Services	46 169	1 320	–	(650)	–	–	670	46 839
Total	46 169	1 320	–	(650)	–	–	670	46 839
Economic classification								
Current payments	45 052	–	–	(650)	–	–	(650)	44 402
Compensation of employees	16 293	–	–	(150)	–	–	(150)	16 143
Goods and services	28 759	–	–	(500)	–	–	(500)	28 259
Transfers and subsidies	–	1 320	–	–	–	–	1 320	1 320
Households	–	1 320	–	–	–	–	1 320	1 320
Payments for capital assets	1 117	–	–	–	–	–	–	1 117
Machinery and equipment	1 117	–	–	–	–	–	–	1 117
Total	46 169	1 320	–	(650)	–	–	670	46 839

Details of adjustments to Estimates of National Expenditure 2017**Roll-overs – R6 million**

R6 million has been rolled over for the payment of employee initiated severance and early retirement packages.

Programme 1: Administration

R4.680 million

Programme 2: Executive Support

R1.320 million

Virements and shifts within votes

Programmes					
1. Administration					
2. Executive Support					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(5)	Programme 1		5
Goods and services	Travel and subsistence	(5)	Provinces and municipalities	Vehicle licences	5
Shifts within the programme as a percentage of the programme budget		0.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(650)	Programme 1		650
Goods and services	Publication costs, and travel and subsistence	(500)	Goods and services	Data storage system	500
Compensation of employees	Vacant posts ¹	(150)	Households	Leave gratuities	150
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.4%			
Total		(655)			655

1. National Treasury approval has been obtained.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	454 217	229 596	50.5	447 709	98.6	454 330	89.5	201 011	44.2
Executive Support	35 558	9 645	27.1	27 624	77.7	46 839	9.2	12 324	26.3
Subtotal	489 775	239 241	48.8	475 333	97.1	501 169	98.7	213 335	42.6
Direct charge against the National Revenue Fund	6 035	2 917	48.3	5 713	94.7	6 373	1.3	2 796	43.9
Salary of the President	3 274	1 559	47.6	2 996	91.5	3 438	0.7	1 438	41.8
Salary of the Deputy President	2 761	1 358	49.2	2 717	98.4	2 935	0.6	1 358	46.3
Total	495 810	242 158	48.8	481 046	97.0	507 542	100.0	216 131	42.6
Economic classification									
Current payments	479 412	234 083	48.8	464 765	96.9	487 033	96.0	211 118	43.3
Compensation of employees	314 634	152 867	48.6	308 728	98.1	318 234	62.7	153 925	48.4
Goods and services	164 778	81 171	49.3	155 991	94.7	168 799	33.3	57 193	33.9
Interest and rent on land	–	45	–	46	0.0	–	0.0	–	0.0
Transfers and subsidies	2 396	2 442	101.9	3 243	135.4	6 191	1.2	3 063	49.5
Provinces and municipalities	–	–	–	3	0.0	5	0.0	3	60.0
Departmental agencies and accounts	34	–	0.0	–	0.0	36	0.0	–	0.0
Foreign governments and international organisations	–	–	–	42	0.0	–	0.0	–	0.0
Households	2 362	2 442	103.4	3 198	135.4	6 150	1.2	3 060	49.8
Payments for capital assets	14 002	5 633	40.2	12 051	86.1	14 318	2.8	1 950	13.6
Machinery and equipment	14 002	5 633	40.2	12 051	86.1	14 318	2.8	1 950	13.6
Payments for financial assets	–	–	–	987	–	–	0.0	–	0.0
Total	495 810	242 158	48.8	481 046	97.0	507 542	100.0	216 131	42.6

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R481 million, or 97 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R216.1 million, or 42.6 per cent of the adjusted appropriation of R507.5 million for the year. In comparison, mid-year expenditure in 2016/17 was R242.2 million, or 48.8 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R26 million, or 10.7 per cent. This is mainly due to reduced spending on communications following the department's subscription to a transversal contract for mobile communications services, and travel and subsistence.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	1 069	593	55.5	1 365	127.7	368	1 046	100.0	824	78.8
Sales of goods and services produced by department	357	174	48.7	350	98.0	358	326	31.2	155	47.5
Transfers received	244	–	0.0	–	0.0	–	–	0.0	–	–
Interest, dividends and rent on land	11	5	45.5	59	536.4	10	25	2.4	13	52.0
Sales of capital assets	150	107	71.3	107	71.3	–	100	9.6	–	–
Transactions in financial assets and liabilities	307	307	100.0	849	276.5	–	595	56.9	656	110.3
Total	1 069	593	55.5	1 365	127.7	368	1 046	100.0	824	78.8

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R824 000, or 78.8 per cent of the adjusted revenue estimate of R1 million for the year. In comparison, mid-year revenue in 2016/17 was R593 000, or 55.5 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R231 000, or 39 per cent. This is mainly due to a debt of R470 000 raised against prior year expenditure.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Administration								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	–	–	–	5	–	–	5	5
Municipal services	–	–	–	5	–	–	5	5
Households								
Social benefits								
Current	–	4 680	–	150	–	–	4 830	4 830
Employee social benefits	–	4 680	–	150	–	–	4 830	4 830
Executive Support								
Households								
Social benefits								
Current	–	1 320	–	–	–	–	1 320	1 320
Employee social benefits	–	1 320	–	–	–	–	1 320	1 320

Vote 2

Parliament

Amendments to Parliament's budget are determined independently of the national government's budget processes in accordance with the Financial Management of Parliament and Provincial Legislatures Act (2009).

Vote 3

Communications

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 425 095	1 428 300	(2 567)	5 772
of which:				
Current payments	100 166	104 380	–	4 214
Transfers and subsidies	1 324 888	1 322 321	(2 567)	–
Payments for capital assets	41	1 599	–	1 558
Executive authority	Minister of Communications			
Accounting officer	Director-General of Communications			
Website address	www.doc.gov.za			

Vote purpose

Create an enabling environment for the provision of inclusive communication services to all South Africans in a manner that promotes socioeconomic development and investment through broadcasting, new media, print media and other new technologies, and brand the country locally and internationally.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of digital broadcasting awareness campaigns hosted per year	Industry and Capacity Development	Outcome 14: Nation building and social cohesion	10	54	–
Number of reports showing consumer access to digital broadcasting, particularly those supported with set-top boxes, per year	Industry and Capacity Development		4	2	–
Number of position papers tabled at multilateral engagements per year	Industry and Capacity Development		2	1	–
Number of stakeholder engagements coordinated per year	Industry and Capacity Development		10	5	–
Number of shareholder compact accountability instruments signed per year	Entity Oversight		5	0	–

Mid-year progress

The department planned to host 10 digital broadcasting awareness campaigns in 2017/18, and has already held 54, particularly door-to-door registration campaigns, in the first six months of the year. This overachievement is mainly due to the establishment of partnerships with other national and provincial departments and local municipalities.

The targeted five instruments for shareholder compact accountability are expected to be signed in the fourth quarter of 2017/18.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	62 771	–	–	7 581	(2 967)	–	4 614	67 385
Communications Policy, Research and Development	8 492	–	–	(679)	(914)	–	(1 593)	6 899
Industry and Capacity Development	22 290	11 300	–	(5 434)	–	–	5 866	28 156
Entity Oversight	1 331 542	–	–	(1 468)	(7 314)	3 100	(5 682)	1 325 860
Total	1 425 095	11 300	–	–	(11 195)	3 100	3 205	1 428 300
Economic classification								
Current payments	100 166	11 300	–	(2 291)	(4 795)	–	4 214	104 380
Compensation of employees	76 697	–	–	(733)	(4 795)	–	(5 528)	71 169
Goods and services	23 469	11 300	–	(1 558)	–	–	9 742	33 211
Transfers and subsidies	1 324 888	–	–	733	(6 400)	3 100	(2 567)	1 322 321
Departmental agencies and accounts	1 151 122	–	–	–	(6 400)	3 100	(3 300)	1 147 822
Public corporations and private enterprises	173 766	–	–	–	–	–	–	173 766
Households	–	–	–	733	–	–	733	733
Payments for capital assets	41	–	–	1 558	–	–	1 558	1 599
Machinery and equipment	41	–	–	1 558	–	–	1 558	1 599
Total	1 425 095	11 300	–	–	(11 195)	3 100	3 205	1 428 300

Programme 1: Administration

Programme		2017/18						
Subprogramme	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	9 377	–	–	1 851	(853)	–	998	10 375
Departmental Management	30 537	–	–	4 659	(1 188)	–	3 471	34 008
Internal Audit	787	–	–	180	–	–	180	967
Corporate Services	11 849	–	–	749	(612)	–	137	11 986
Financial Management	10 221	–	–	142	(314)	–	(172)	10 049
Total	62 771	–	–	7 581	(2 967)	–	4 614	67 385
Economic classification								
Current payments	62 771	–	–	5 393	(2 967)	–	2 426	65 197
Compensation of employees	50 202	–	–	(589)	(2 967)	–	(3 556)	46 646
Goods and services	12 569	–	–	5 982	–	–	5 982	18 551
Transfers and subsidies	–	–	–	589	–	–	589	589
Households	–	–	–	589	–	–	589	589
Payments for capital assets	–	–	–	1 599	–	–	1 599	1 599
Machinery and equipment	–	–	–	1 599	–	–	1 599	1 599
Total	62 771	–	–	7 581	(2 967)	–	4 614	67 385

Programme 2: Communications Policy, Research and Development

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Broadcasting Policy	6 802	–	–	(371)	(914)	–	(1 285)	5 517
Media Policy	158	–	–	(158)	–	–	(158)	–
Technology and Engineering Services	1 532	–	–	(150)	–	–	(150)	1 382
Total	8 492	–	–	(679)	(914)	–	(1 593)	6 899
Economic classification								
Current payments	8 492	–	–	(679)	(914)	–	(1 593)	6 899
Compensation of employees	6 129	–	–	–	(914)	–	(914)	5 215
Goods and services	2 363	–	–	(679)	–	–	(679)	1 684
Total	8 492	–	–	(679)	(914)	–	(1 593)	6 899

Programme 3: Industry and Capacity Development

Subprogramme	2017/18							Adjusted appropriation
	Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Enterprise Development	3 045	–	–	(291)	–	–	(291)	2 754
Broadcasting Digital Migration	14 383	11 300	–	(5 143)	–	–	6 157	20 540
Industry Research and Analysis	2 922	–	–	–	–	–	–	2 922
Inter-governmental Relations and Stakeholder Management	1 940	–	–	–	–	–	–	1 940
Total	22 290	11 300	–	(5 434)	–	–	5 866	28 156
Economic classification								
Current payments	22 249	11 300	–	(5 537)	–	–	5 763	28 012
Compensation of employees	15 680	–	–	(144)	–	–	(144)	15 536
Goods and services	6 569	11 300	–	(5 393)	–	–	5 907	12 476
Transfers and subsidies	–	–	–	144	–	–	144	144
Households	–	–	–	144	–	–	144	144
Payments for capital assets	41	–	–	(41)	–	–	(41)	–
Machinery and equipment	41	–	–	(41)	–	–	(41)	–
Total	22 290	11 300	–	(5 434)	–	–	5 866	28 156

Programme 4: Entity Oversight

Subprogramme	2017/18							Adjusted appropriation
	Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for Entity Oversight	2 570	–	–	(156)	(914)	–	(1 070)	1 500
Broadcasting and Community Media	205 449	–	–	(328)	–	–	(328)	205 121
Communication and Branding	599 542	–	–	(492)	(6 400)	3 100	(3 792)	595 750
Regulatory Institutions	523 981	–	–	(492)	–	–	(492)	523 489
Total	1 331 542	–	–	(1 468)	(7 314)	3 100	(5 682)	1 325 860
Economic classification								
Current payments	6 654	–	–	(1 468)	(914)	–	(2 382)	4 272
Compensation of employees	4 686	–	–	–	(914)	–	(914)	3 772
Goods and services	1 968	–	–	(1 468)	–	–	(1 468)	500
Transfers and subsidies	1 324 888	–	–	–	(6 400)	3 100	(3 300)	1 321 588
Departmental agencies and accounts	1 151 122	–	–	–	(6 400)	3 100	(3 300)	1 147 822
Public corporations and private enterprises	173 766	–	–	–	–	–	–	173 766
Total	1 331 542	–	–	(1 468)	(7 314)	3 100	(5 682)	1 325 860

Details of adjustments to Estimates of National Expenditure 2017**Roll-overs – R11.3 million****Programme 3: Industry and Capacity Development**

R11.3 million has been rolled over for the radio component of, and the door-to-door awareness campaign for the digital terrestrial television project.

Virements and shifts within votes

Programmes

1. Administration
2. Communications Policy, Research and Development
3. Industry and Capacity Development
4. Entity Oversight

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(642)	Programme 1		642
Compensation of employees	Vacant posts ¹	(589)	Households	Leave gratuities	589
Goods and services	Cost containment measures effected mainly on travel and subsistence	(53)	Machinery and equipment	Laptop computers for new employees	53
Shifts within the programme as a percentage of the programme budget		1.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(679)	Programme 1		679
Goods and services	Cost containment measures effected mainly on publication and printing costs, and travel and subsistence	(679)	Goods and services	Fleet services, legal services, stationery, and travel and subsistence	679
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%			
Programme 3		(5 578)	Programme 3		144
Compensation of employees	Vacant posts ¹	(144)	Households	Leave gratuities	144
Goods and services	Cost containment measures effected mainly on travel and subsistence	(1 505)	Programme 1		5 434
	Cost containment measures effected mainly on travel and subsistence	(3 888)	Machinery and equipment	Vehicles	1 505
			Goods and services	Audit fees, computer services, fleet services, legal costs, stationery, and travel and subsistence	3 888
Machinery and equipment	Laptop computers	(41)	Machinery and equipment	Laptop computers and office equipment	41
Shifts within the programme as a percentage of the programme budget		0.6%			
Virements to other programmes as a percentage of the programme budget		24.4%²			
Programme 4		(1 468)	Programme 1		1 468
Goods and services	Cost containment measures effected mainly on travel and subsistence	(1 468)	Goods and services	Fleet services, and travel and subsistence	1 468
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Total		(8 367)			8 367

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Declared unspent funds – R11.195 million

R11.195 million in unspent funds has been declared on vacant posts.

Programme 1: Administration

R2.967 million

Programme 2: Communications Policy, Research and Development

R914 000

Programme 4: Entity Oversight

R7.314 million, of which R6.4 million is from the Government Communication and Information System.

Other adjustments – R3.1 million

Self-financing expenditure

Programme 4: Entity Oversight

Revenue of R3.1 million is expected to be generated in 2017/18 from advertising in the bi-monthly Vuk'uzenzele government newspaper, which is coordinated by the Government Communication and Information System. This will be used to increase the print run from 850 000 to 1 040 000 copies per edition.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	57 103	31 592	55.3	57 255	100.3	67 385	4.7	32 289	47.9
Communications Policy, Research and Development	7 728	3 109	40.2	6 324	81.8	6 899	0.5	2 473	35.8
Industry and Capacity Development	47 692	11 479	24.1	35 166	73.7	28 156	2.0	12 280	43.6
Entity Oversight	1 237 197	620 586	50.2	1 236 997	100.0	1 325 860	92.8	628 613	47.4
Total	1 349 720	666 766	49.4	1 335 742	99.0	1 428 300	100.0	675 655	47.3
Economic classification									
Current payments	113 971	47 515	41.7	99 844	87.6	104 380	7.3	46 917	44.9
Compensation of employees	68 169	33 091	48.5	65 482	96.1	71 169	5.0	31 570	44.4
Goods and services	45 802	14 424	31.5	34 362	75.0	33 211	2.3	15 347	46.2
Transfers and subsidies	1 231 949	618 031	50.2	1 232 091	100.0	1 322 321	92.6	627 149	47.4
Departmental agencies and accounts	1 049 799	552 244	52.6	1 049 799	100.0	1 147 822	80.4	539 547	47.0
Public corporations and private enterprises	182 093	65 731	36.1	182 093	100.0	173 766	12.2	86 884	50.0
Households	57	56	98.2	199	349.1	733	0.1	718	98.0
Payments for capital assets	3 800	1 217	32.0	3 784	99.6	1 599	0.1	1 562	97.7
Machinery and equipment	3 800	1 217	32.0	3 784	99.6	1 599	0.1	1 562	97.7
Payments for financial assets	-	3	-	23	-	-	0.0	27	-
Total	1 349 720	666 766	49.4	1 335 742	99.0	1 428 300	100.0	675 655	47.3

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R1.3 billion, or 99 per cent of the adjusted appropriation for 2016/17. Expenditure in the first six months of 2017/18 was R675.7 million, or 47.3 per cent of the adjusted appropriation of R1.4 billion for the year. In comparison, mid-year expenditure in 2016/17 was R666.8 million, or 49.4 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R8.9 million, or 1.3 per cent. The increase is mainly due to an increase in expenditure on travel and subsistence, consultancy services and rental costs for the digital terrestrial television project.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	1 026 751	852 752	83.1	1 171 168	114.1	1 036 565	1 036 995	100.0	541 224	52.2
Sales of goods and services produced by department	74	36	48.6	61	82.4	82	74	0.0	27	36.5
Interest, dividends and rent on land	2 168	1 168	53.9	2 239	103.3	2 200	2 462	0.2	1 231	50.0
Transactions in financial assets and liabilities	1 024 509	851 548	83.1	1 168 868	114.1	1 034 283	1 034 459	99.8	539 966	52.2
Total	1 026 751	852 752	83.1	1 171 168	114.1	1 036 565	1 036 995	100.0	541 224	52.2

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R541.2 million, or 52.2 per cent of the adjusted revenue estimate of R1 billion for the year. In comparison, mid-year revenue in 2016/17 was R852.8 million, or 83.1 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R311.5 million, or 36.5 per cent. This is mainly due to lower than anticipated revenue generated from the Independent Communications Authority of South Africa for license fees as a result of a decrease in the number of new licensees.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration								
Households								
Social benefits								
Current	–	–	–	589	–	–	589	589
Households	–	–	–	589	–	–	589	589
Industry and Capacity Development								
Households								
Social benefits								
Current	–	–	–	144	–	–	144	144
Households	–	–	–	144	–	–	144	144
Entity Oversight								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	404 750	–	–	–	(6 400)	3 100	(3 300)	401 450
Government Communication and Information System	404 750	–	–	–	(6 400)	3 100	(3 300)	401 450

Vote 4

Cooperative Governance and Traditional Affairs

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	78 414 485	78 463 890	(70 602)	120 007
of which:				
Current payments	4 346 156	4 275 554	(70 602)	–
Transfers and subsidies	74 060 839	74 180 734	–	119 895
Payments for capital assets	7 490	7 502	–	12
Payments for financial assets	–	100	–	100
Executive authority	Minister of Cooperative Governance and Traditional Affairs			
Accounting officer	Director-General of Cooperative Governance Director-General of Traditional Affairs			
Website address	www.cogta.gov.za			

Vote purpose

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

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of secondary cities supported per year to improve spatial and economic planning by implementing the Integrated Urban Development Framework	Regional and Urban Development and Legislative Support	Outcome 9: Responsive, accountable, effective and efficient developmental local government	10	5	–
Number of municipalities assessed and guided to comply with the rating criteria of the Municipal Property Rates Act (2004) per year	Institutional Development		110	0	–
Percentage of spending by municipalities on the municipal infrastructure grant per year	Institutional Development		100%	36% (R5.69bn/R15.9bn)	–
Number of municipalities where Back to Basics interventions are being implemented per year	Local Government Support and Intervention Management		47	36	–
Total number of work opportunities provided through the community work programme	Community Work Programme		258 400	232 293	–

Mid-year progress

No municipalities were assessed and guided to comply with the rating criteria of the Municipal Property Rates Act (2004) in the first six months of 2017/18. These assessments are planned for the second half of the year.

Municipal infrastructure grant spending was slow in the first half of the financial year due to the difference between the start of the financial year for municipalities and national departments. Municipalities are currently in their first quarter, and plan to meet their targets by the end of their financial year.

The department is on track to meet its annual target on Back to Basics, as 36 of a targeted 47 municipalities have been visited and monitored, and interventions have been implemented where necessary. These interventions were planned to take place in the first six months of the year.

At the end of the second quarter of 2017/18, there were 232 293 participants enrolled in the community work programme, placing the department on track to meet its target of 258 400 participants enrolled by the end of the financial year.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
		Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Administration	247 296	–	–	(3 000)	–	–	(3 000)	244 296
Regional and Urban Development and Legislative Support	210 261	27 858	–	10 434	–	–	38 292	248 553
Institutional Development	57 372 755	–	–	366	–	–	366	57 373 121
National Disaster Management Centre	521 904	–	26 147	–	–	–	26 147	548 051
Local Government Support and Intervention Management	16 366 403	45 400	–	(2 000)	–	–	43 400	16 409 803
Community Work Programme	3 695 866	–	–	(5 800)	(50 000)	–	(55 800)	3 640 066
Total	78 414 485	73 258	26 147	–	(50 000)	–	49 405	78 463 890
Economic classification								
Current payments	4 346 156	–	–	(20 602)	(50 000)	–	(70 602)	4 275 554
Compensation of employees	338 922	–	–	(31 300)	–	–	(31 300)	307 622
Goods and services	4 007 234	–	–	10 698	(50 000)	–	(39 302)	3 967 932
Transfers and subsidies	74 060 839	73 258	26 147	20 490	–	–	119 895	74 180 734
Provinces and municipalities	73 439 065	27 858	26 147	–	–	–	54 005	73 493 070
Departmental agencies and accounts	608 420	–	–	14 500	–	–	14 500	622 920
Foreign governments and international organisations	1 281	–	–	–	–	–	–	1 281
Non-profit institutions	12 073	–	–	5 899	–	–	5 899	17 972
Households	–	45 400	–	91	–	–	45 491	45 491
Payments for capital assets	7 490	–	–	12	–	–	12	7 502
Machinery and equipment	7 490	–	–	12	–	–	12	7 502
Payments for financial assets	–	–	–	100	–	–	100	100
Total	78 414 485	73 258	26 147	–	(50 000)	–	49 405	78 463 890

Programme 1: Administration

Subprogramme	2017/18							
	Main appropriation	Adjustments appropriation					Adjusted appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand								
Ministry	28 010	–	–	(1 300)	–	–	(1 300)	26 710
Management	17 470	–	–	800	–	–	800	18 270
Corporate Services	108 884	–	–	(4 000)	–	–	(4 000)	104 884
Financial Services	38 374	–	–	(2 000)	–	–	(2 000)	36 374
Internal Audit and Risk Management	12 977	–	–	3 500	–	–	3 500	16 477
Office Accommodation	41 581	–	–	–	–	–	–	41 581
Total	247 296	–	–	(3 000)	–	–	(3 000)	244 296
Economic classification								
Current payments	242 119	–	–	(3 147)	–	–	(3 147)	238 972
Compensation of employees	133 663	–	–	(8 500)	–	–	(8 500)	125 163
Goods and services	108 456	–	–	5 353	–	–	5 353	113 809
Transfers and subsidies	103	–	–	47	–	–	47	150
Provinces and municipalities	103	–	–	–	–	–	–	103
Households	–	–	–	47	–	–	47	47
Payments for capital assets	5 074	–	–	–	–	–	–	5 074
Machinery and equipment	5 074	–	–	–	–	–	–	5 074
Payments for financial assets	–	–	–	100	–	–	100	100
Total	247 296	–	–	(3 000)	–	–	(3 000)	244 296

Programme 2: Regional and Urban Development and Legislative Support

Subprogramme		2017/18						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management Regional and Urban Development and Legislative Support	3 247	–	–	(1 700)	–	–	(1 700)	1 547
Local Government Legislative Support and Institutional Establishment	3 420	–	–	–	–	–	–	3 420
Urban Development Planning	10 581	–	–	7 954	–	–	7 954	18 535
Spatial Planning Districts and Regions	14 554	–	–	(2 112)	–	–	(2 112)	12 442
Intergovernmental Policy and Practice	9 022	–	–	(708)	–	–	(708)	8 314
Municipal Demarcation Transition Grant	111 856	27 858	–	–	–	–	27 858	139 714
Municipal Demarcation Board	50 631	–	–	7 000	–	–	7 000	57 631
South African Cities Network	6 950	–	–	–	–	–	–	6 950
Total	210 261	27 858	–	10 434	–	–	38 292	248 553
Economic classification								
Current payments	40 824	–	–	3 434	–	–	3 434	44 258
Compensation of employees	25 912	–	–	(5 500)	–	–	(5 500)	20 412
Goods and services	14 912	–	–	8 934	–	–	8 934	23 846
Transfers and subsidies	169 437	27 858	–	7 000	–	–	34 858	204 295
Provinces and municipalities	111 856	27 858	–	–	–	–	27 858	139 714
Departmental agencies and accounts	50 631	–	–	7 000	–	–	7 000	57 631
Non-profit institutions	6 950	–	–	–	–	–	–	6 950
Total	210 261	27 858	–	10 434	–	–	38 292	248 553

Programme 3: Institutional Development

Subprogramme		2017/18						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management: Institutional Development	3 323	–	–	(700)	–	–	(700)	2 623
Municipal Human Resources Management Systems	7 772	–	–	1 000	–	–	1 000	8 772
Municipal Finance	31 503	–	–	(2 700)	–	–	(2 700)	28 803
Citizen Engagement	6 701	–	–	1 200	–	–	1 200	7 901
Anti-Corruption and Good Governance	7 348	–	–	(2 000)	–	–	(2 000)	5 348
Municipal Property Rates	18 008	–	–	(9 734)	–	–	(9 734)	8 274
Local Government Equitable Share	57 012 141	–	–	–	–	–	–	57 012 141
South African Local Government Association	31 300	–	–	–	–	–	–	31 300
Municipal Systems Improvement Grant	103 249	–	–	–	–	–	–	103 249
Department of Traditional Affairs	145 006	–	–	7 500	–	–	7 500	152 506
United Cities and Local Government of Africa	6 404	–	–	5 800	–	–	5 800	12 204
Total	57 372 755	–	–	366	–	–	366	57 373 121
Economic classification								
Current payments	177 904	–	–	(12 934)	–	–	(12 934)	164 970
Compensation of employees	38 057	–	–	(7 500)	–	–	(7 500)	30 557
Goods and services	139 847	–	–	(5 434)	–	–	(5 434)	134 413
Transfers and subsidies	57 194 851	–	–	13 300	–	–	13 300	57 208 151
Provinces and municipalities	57 012 141	–	–	–	–	–	–	57 012 141
Departmental agencies and accounts	176 306	–	–	7 500	–	–	7 500	183 806
Foreign governments and international organisations	1 281	–	–	–	–	–	–	1 281
Non-profit institutions	5 123	–	–	5 800	–	–	5 800	10 923
Total	57 372 755	–	–	366	–	–	366	57 373 121

Programme 4: National Disaster Management Centre

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Management: Head of Disaster	3 615	–	–	112	–	–	112	3 727
Disaster Risk Reduction, Capacity Building and Intervention	53 391	–	–	–	–	–	–	53 391
Legislation and Policy Management	6 056	–	–	(100)	–	–	(100)	5 956
Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems	4 273	–	–	–	–	–	–	4 273
Fire Services	3 279	–	–	100	–	–	100	3 379
Information Technology, Intelligence and Information Management Systems	27 577	–	–	(112)	–	–	(112)	27 465
Disaster Relief Grant	423 713	–	–	–	–	–	–	423 713
Municipal Disaster Recovery Grant	–	–	26 147	–	–	–	26 147	26 147
Total	521 904	–	26 147	–	–	–	26 147	548 051
Economic classification								
Current payments	95 775	–	–	(143)	–	–	(143)	95 632
Compensation of employees	29 584	–	–	–	–	–	–	29 584
Goods and services	66 191	–	–	(143)	–	–	(143)	66 048
Transfers and subsidies	423 713	–	26 147	143	–	–	26 290	450 003
Provinces and municipalities	423 713	–	26 147	–	–	–	26 147	449 860
Non-profit institutions	–	–	–	99	–	–	99	99
Households	–	–	–	44	–	–	44	44
Payments for capital assets	2 416	–	–	–	–	–	–	2 416
Machinery and equipment	2 416	–	–	–	–	–	–	2 416
Total	521 904	–	26 147	–	–	–	26 147	548 051

Programme 5: Local Government Support and Intervention Management

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Management: Local Government Support and Interventions	3 302	–	–	–	–	–	–	3 302
Municipal Performance Monitoring	13 442	45 400	–	–	–	–	45 400	58 842
Local Government Improvement Programme	30 475	–	–	(4 000)	–	–	(4 000)	26 475
Litigations and Interventions	12 352	–	–	–	–	–	–	12 352
Municipal Infrastructure Administration	34 097	–	–	2 000	–	–	2 000	36 097
Municipal Infrastructure Grant	15 891 252	–	–	–	–	–	–	15 891 252
Municipal Infrastructure Support Agency	381 483	–	–	–	–	–	–	381 483
Total	16 366 403	45 400	–	(2 000)	–	–	43 400	16 409 803
Economic classification								
Current payments	93 668	–	–	(2 000)	–	–	(2 000)	91 668
Compensation of employees	68 446	–	–	(4 000)	–	–	(4 000)	64 446
Goods and services	25 222	–	–	2 000	–	–	2 000	27 222
Transfers and subsidies	16 272 735	45 400	–	–	–	–	45 400	16 318 135
Provinces and municipalities	15 891 252	–	–	–	–	–	–	15 891 252
Departmental agencies and accounts	381 483	–	–	–	–	–	–	381 483
Households	–	45 400	–	–	–	–	45 400	45 400
Total	16 366 403	45 400	–	(2 000)	–	–	43 400	16 409 803

Programme 6: Community Work Programme

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Management: Community Work Programme	3 643 036	–	–	(5 800)	(50 000)	–	(55 800)	3 587 236
Programme Coordination	40 367	–	–	–	–	–	–	40 367
Partnerships, Norms, Standards and Innovation	12 463	–	–	–	–	–	–	12 463
Total	3 695 866	–	–	(5 800)	(50 000)	–	(55 800)	3 640 066

Programme 6: Community Work Programme (continued)

Economic classification		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Current payments	3 695 866	–	–	(5 812)	(50 000)	–	(55 812)	3 640 054
Compensation of employees	43 260	–	–	(5 800)	–	–	(5 800)	37 460
Goods and services	3 652 606	–	–	(12)	(50 000)	–	(50 012)	3 602 594
Payments for capital assets	–	–	–	12	–	–	12	12
Machinery and equipment	–	–	–	12	–	–	12	12
Total	3 695 866	–	–	(5 800)	(50 000)	–	(55 800)	3 640 066

Details of adjustments to Estimates of National Expenditure 2017**Roll-overs – R73.258 million**

Programme 2: Regional and Urban Development and Legislative Support

R27.858 million has been rolled over to the municipal demarcation transition grant to stabilise institutional and government systems in amalgamated municipalities in KwaZulu-Natal.

Programme 5: Local Government Support and Intervention Management

R45.4 million has been rolled over to pay councillors whose term ended after the local government elections in August 2016.

Unforeseeable and unavoidable expenditure – R26.147 million

Programme 4: National Disaster Management Centre

An additional R26.147 million has been allocated to the vote to rehabilitate municipal infrastructure damaged by sinkholes in the Merafong City municipality.

Virements and shifts within votes

Programmes					
1. Administration					
2. Regional and Urban Development and Legislative Support					
3. Institutional Development					
4. National Disaster Management Centre					
5. Local Government Support and Intervention Management					
6. Community Work Programme					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(8 647)	Programme 1		4 500
Compensation of employees	Vacant posts ²	(4 500)	Goods and services	Operational payments	4 500
	Vacant posts ²	(4 000)	Programme 2		4 000
			Departmental agencies and accounts	Municipal Demarcation Board ¹	4 000
Goods and services	Cost containment measures effected on auditing services	(100)	Programme 1		147
	Cost containment measures effected on agency and outsourced/support services, and entertainment	(47)	Payments for financial assets	Theft and losses	100
			Households	Leave gratuities	47
Shifts within the programme as a percentage of the programme budget		2.8%			
Virements to other programmes as a percentage of the programme budget		1.6%			

2017 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(5 500)	Programme 2		5 500
Compensation of employees	Vacant posts ²	(3 000)	Departmental agencies and accounts	Municipal Demarcation Board ¹	3 000
	Vacant posts ²	(2 500)	Goods and services	Consultants for the Urban Development Planning subprogramme	2 500
Shifts within the programme as a percentage of the programme budget		4.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(12 934)	Programme 3		7 500
Compensation of employees	Vacant posts ²	(7 500)	Departmental agencies and accounts	Department of Traditional Affairs ¹	7 500
Goods and services	Cost containment measures effected on catering, consultants and consumables	(1 000)	Programme 1		1 000
			Goods and services	Third presidential local government summit	1 000
	Cost containment measures effected on contractors, and travel and subsistence	(4 434)	Programme 2		4 434
			Goods and services	Consultants for the integrated urban development framework	4 434
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 4		(143)	Programme 4		143
Goods and services	Cost containment measures effected on contractors, and travel and subsistence	(44)	Households	Leave gratuities	44
	Various non-core goods and services items	(99)	Non-profit institutions	Disaster Management Institute of Southern Africa project ¹	99
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 5		(6 000)	Programme 5		4 000
Compensation of employees	Vacant posts ²	(4 000)	Goods and services	Municipal infrastructure grant oversight	4 000
Goods and services	Cost containment measures effected on communications	(2 000)	Programme 2		2 000
			Goods and services	Consultants to capacitate the implementation of the integrated urban development framework	2 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 6		(5 812)	Programme 3		5 800
Compensation of employees	Vacant posts ²	(5 800)	Non-profit institutions	United Cities and Local Governments of Africa ¹	5 800
Goods and services	Cost containment measures effected on communications	(12)	Programme 6		12
			Machinery and equipment	Office equipment	12
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.2%			
Total		(39 036)			39 036

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Declared unspent funds – R50 million

Programme 6: Community Work Programme

R50 million in unspent funds has been declared on contractors for the community work programme due to slow spending trends.

Gifts, donations and sponsorships – R99 000

Programme 4: National Disaster Management Centre

The department will make a donation of R99 000 to the Disaster Management Institute of Southern Africa to host a conference on the reduction of disaster risk.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	263 691	110 047	41.7	267 266	101.4	244 296	0.3	113 652	46.5
Regional and Urban Development and Legislative Support	423 633	145 715	34.4	393 619	92.9	248 553	0.3	127 218	51.2
Institutional Development	52 887 964	21 822 913	41.3	51 275 794	97.0	57 373 121	73.1	23 796 996	41.5
National Disaster Management Centre	588 887	77 053	13.1	295 282	50.1	548 051	0.7	93 583	17.1
Local Government Support and Intervention Management	15 666 546	4 762 719	30.4	15 248 355	97.3	16 409 803	20.9	5 686 353	34.7
Community Work Programme	3 191 185	986 174	30.9	2 371 906	74.3	3 640 066	4.6	1 369 258	37.6
Total	73 021 906	27 904 621	38.2	69 852 222	95.7	78 463 890	100.0	31 187 060	39.7
Economic classification									
Current payments	3 826 454	1 180 277	30.8	2 815 713	73.6	4 275 554	5.4	1 587 371	37.1
Compensation of employees	320 521	135 425	42.3	272 404	85.0	307 622	0.4	143 622	46.7
Goods and services	3 505 933	1 044 852	29.8	2 543 309	72.5	3 967 932	5.1	1 443 749	36.4
Transfers and subsidies	69 188 025	26 722 059	38.6	67 027 032	96.9	74 180 734	94.5	29 597 567	39.9
Provinces and municipalities	68 301 723	26 424 625	38.7	66 178 538	96.9	73 493 070	93.7	29 363 566	40.0
Departmental agencies and accounts	570 407	297 235	52.1	574 607	100.7	622 920	0.8	216 524	34.8
Foreign governments and international organisations	–	–	–	–	–	1 281	0.0	–	0.0
Non-profit institutions	6 619	–	0.0	9 119	137.8	17 972	0.0	8 117	45.2
Households	309 276	199	0.1	264 768	85.6	45 491	0.1	9 360	20.6
Payments for capital assets	7 347	2 256	30.7	9 312	126.7	7 502	0.0	2 054	27.4
Machinery and equipment	7 347	2 256	30.7	9 312	126.7	7 502	0.0	2 054	27.4
Payments for financial assets	80	29	36.3	165	206.3	100	0.0	68	68.0
Total	73 021 906	27 904 621	38.2	69 852 222	95.7	78 463 890	100.0	31 187 060	39.7

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R69.9 billion, or 95.7 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R31.2 billion, or 39.7 per cent of the adjusted appropriation of R78.5 billion for the year. In comparison, mid-year expenditure in 2016/17 was R27.9 billion, or 38.2 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R3.3 billion, or 11.8 per cent. This is mainly due to increased spending in the community work programme and the local government equitable share.

Departmental receipts

	2016/17					2017/18			
	Audited outcome					Actual receipts			
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	1 165	940	80.7	23 451	2 013.0	1 261	1 875	100.0	1 102
Sales of goods and services produced by department	305	81	26.6	166	54.4	355	375	20.0	87
Sales of scrap, waste, arms and other used current goods	5	–	–	1	20.0	6	–	–	–
Interest, dividends and rent on land	15	564	3 760.0	1 218	8 120.0	10	1 100	58.7	728
Sales of capital assets	40	40	100.0	40	100.0	40	50	2.7	–
Transactions in financial assets and liabilities	800	255	31.9	22 026	2 753.3	850	350	18.7	287
Total	1 165	940	80.7	23 451	2 013.0	1 261	1 875	100.0	58.8

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R1.1 million, or 58.8 per cent of the adjusted revenue estimate of R1.9 million for the year. In comparison, mid-year revenue in 2016/17 was R940 000, or 80.7 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R162 000, or 17.2 per cent. This is mainly due to higher than anticipated interest earned on financial assets.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Administration							
Households							
Social benefits							
Current	–	–	–	10	–	–	10
Employee social benefits	–	–	–	10	–	–	10
Households							
Other transfers to households							
Current	–	–	–	37	–	–	37
Employee social benefits	–	–	–	37	–	–	37
Regional and Urban Development and Legislative Support							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	111 856	27 858	–	–	–	–	139 714
Municipal demarcation transition grant	111 856	27 858	–	–	–	–	139 714
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	50 631	–	–	7 000	–	–	57 631
Municipal Demarcation Board	50 631	–	–	7 000	–	–	57 631
Institutional Development							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	145 006	–	–	7 500	–	–	152 506
Department of Traditional Affairs	145 006	–	–	7 500	–	–	152 506
Non-profit institutions							
Current	5 123	–	–	5 800	–	–	10 923
United Cities and Local Governments of Africa - South African Regional Office	5 123	–	–	5 800	–	–	10 923
National Disaster Management Centre							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Capital	–	–	26 147	–	–	–	26 147
Municipal disaster recovery grant	–	–	26 147	–	–	–	26 147
Non-profit institutions							
Current	–	–	–	99	–	–	99
Disaster Management Institute of Southern Africa	–	–	–	99	–	–	99
Households							
Social benefits							
Current	–	–	–	44	–	–	44
Employee social benefits	–	–	–	44	–	–	44
Local Government Support and Intervention Management							
Households							
Social benefits							
Current	–	45 400	–	–	–	–	45 400
Non-returning local government councillors	–	45 400	–	–	–	–	45 400

Summary of changes to conditional grants: Local government

R thousand	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Regional and Urban Development and Legislative Support	111 856	27 858	–	–	–	–	27 858	139 714
Municipal demarcation transition grant	111 856	27 858	–	–	–	–	27 858	139 714
National Disaster Management Centre	300 281	–	26 147	–	–	–	26 147	326 428
Municipal disaster recovery grant	–	–	26 147	–	–	–	26 147	26 147

Vote 5

Home Affairs

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	7 055 539	8 302 339	–	1 246 800
of which:				
Current payments	5 547 947	6 788 199	–	1 240 252
Transfers and subsidies	1 446 205	1 446 205	–	–
Payments for capital assets	61 387	67 935	–	6 548
Executive authority	Minister of Home Affairs			
Accounting officer	Director-General of Home Affairs			
Website address	www.dha.gov.za			

Vote purpose

Efficiently determine and safeguard the identity and status of citizens. Regulate immigration to ensure security, promote development and fulfil South Africa's international obligations.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first three months of 2017/18 (April to June) ¹	Changed target for 2017/18
Number of births registered per year within 30 calendar days	Citizen Affairs	Outcome 3: All people in South Africa are and feel safe	750 000	191 824	–
Number of smart identity cards issued per year to citizens 16 years and older	Citizen Affairs		3 000 000	626 363	–
Percentage of machine readable passports (new live capture process) issued within 13 working days	Citizen Affairs	Outcome 12: An efficient, effective and development-oriented public service	90%	92% (192 849/210 552)	–
Percentage of permanent residence applications per year adjudicated within eight months (collected within South Africa) – section 27(b), 26(a) and 27(c)	Immigration Affairs		85%	99% (1 687/1 701)	–
Percentage of business and general work visa applications per year adjudicated within eight weeks (processed within South Africa)	Immigration Affairs		90%	98% (384/392)	–
Percentage of critical skills visa applications per year adjudicated within four weeks (processed within South Africa)	Immigration Affairs	Outcome 4: Decent employment through inclusive growth	80%	99% (1 617/1 630)	–

1. Only data for the first quarter of 2017/18 is currently available.

Mid-year progress

The department has exceeded its target for machine readable passports and immigration related targets for permanent residence, business and general work visas and critical skills visas.

The target for machine readable passports was achieved mainly due to improved management practices in the passport production process such as early warning reports and continuous monitoring.

The significant improvement in the immigration related targets can be ascribed to the application of operations management principles and the automation of back-end processes.

The department is on track to meet its targets by the end of the financial year.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Administration	2 259 495	12 000	–	4 322	(100 000)	455 400	371 722	2 631 217
Citizen Affairs	3 574 710	–	–	(3 430)	–	879 400	875 970	4 450 680
Immigration Affairs	1 221 334	–	–	(892)	–	–	(892)	1 220 442
Total	7 055 539	12 000	–	–	(100 000)	1 334 800	1 246 800	8 302 339
Economic classification								
Current payments	5 547 947	12 000	–	(6 548)	(100 000)	1 334 800	1 240 252	6 788 199
Compensation of employees	3 198 176	–	–	–	–	–	–	3 198 176
Goods and services	2 349 771	12 000	–	(6 548)	(100 000)	1 334 800	1 240 252	3 590 023
Transfers and subsidies	1 446 205	–	–	–	–	–	–	1 446 205
Provinces and municipalities	1 780	–	–	–	–	–	–	1 780
Departmental agencies and accounts	1 441 127	–	–	–	–	–	–	1 441 127
Households	3 298	–	–	–	–	–	–	3 298
Payments for capital assets	61 387	–	–	6 548	–	–	6 548	67 935
Buildings and other fixed structures	50 115	–	–	–	–	–	–	50 115
Machinery and equipment	11 272	–	–	6 548	–	–	6 548	17 820
Total	7 055 539	12 000	–	–	(100 000)	1 334 800	1 246 800	8 302 339

Programme 1: Administration

Subprogramme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Ministry	37 419	–	–	(211)	–	–	(211)	37 208
Management Support Services	180 875	–	–	(834)	–	–	(834)	180 041
Corporate Services	719 945	12 000	–	6 078	–	125 400	143 478	863 423
Transversal Information Technology Management	833 655	–	–	(711)	(100 000)	330 000	229 289	1 062 944
Office Accommodation	487 601	–	–	–	–	–	–	487 601
Total	2 259 495	12 000	–	4 322	(100 000)	455 400	371 722	2 631 217
Economic classification								
Current payments	2 195 713	12 000	–	(2 226)	(100 000)	455 400	365 174	2 560 887
Compensation of employees	626 670	–	–	–	–	–	–	626 670
Goods and services	1 569 043	12 000	–	(2 226)	(100 000)	455 400	365 174	1 934 217
Transfers and subsidies	2 395	–	–	–	–	–	–	2 395
Provinces and municipalities	772	–	–	–	–	–	–	772
Departmental agencies and accounts	8	–	–	–	–	–	–	8
Households	1 615	–	–	–	–	–	–	1 615
Payments for capital assets	61 387	–	–	6 548	–	–	6 548	67 935
Buildings and other fixed structures	50 115	–	–	–	–	–	–	50 115
Machinery and equipment	11 272	–	–	6 548	–	–	6 548	17 820
Total	2 259 495	12 000	–	4 322	(100 000)	455 400	371 722	2 631 217

Programme 2: Citizen Affairs

Subprogramme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Citizen Affairs Management	36 533	–	–	(100)	–	–	(100)	36 433
Status Services	113 528	–	–	(167)	–	879 400	879 233	992 761
Identification Services	247 385	–	–	(125)	–	–	(125)	247 260
Service Delivery to Provinces	1 736 148	–	–	(3 038)	–	–	(3 038)	1 733 110
Electoral Commission	1 299 912	–	–	–	–	–	–	1 299 912
Represented Political Parties' Fund	141 204	–	–	–	–	–	–	141 204
Total	3 574 710	–	–	(3 430)	–	879 400	875 970	4 450 680
Economic classification								
Current payments	2 131 285	–	–	(3 430)	–	879 400	875 970	3 007 255
Compensation of employees	1 889 686	–	–	–	–	–	–	1 889 686
Goods and services	241 599	–	–	(3 430)	–	879 400	875 970	1 117 569
Transfers and subsidies	1 443 425	–	–	–	–	–	–	1 443 425
Provinces and municipalities	1 008	–	–	–	–	–	–	1 008
Departmental agencies and accounts	1 441 116	–	–	–	–	–	–	1 441 116
Households	1 301	–	–	–	–	–	–	1 301
Total	3 574 710	–	–	(3 430)	–	879 400	875 970	4 450 680

Programme 3: Immigration Affairs

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Immigration Affairs Management	48 389	–	–	(22)	–	–	(22)	48 367
Admission Services	779 193	–	–	(464)	–	–	(464)	778 729
Immigration Services	235 805	–	–	(309)	–	–	(309)	235 496
Asylum Seekers	157 947	–	–	(97)	–	–	(97)	157 850
Total	1 221 334	–	–	(892)	–	–	(892)	1 220 442
Economic classification								
Current payments	1 220 949	–	–	(892)	–	–	(892)	1 220 057
Compensation of employees	681 820	–	–	–	–	–	–	681 820
Goods and services	539 129	–	–	(892)	–	–	(892)	538 237
Transfers and subsidies	385	–	–	–	–	–	–	385
Departmental agencies and accounts	3	–	–	–	–	–	–	3
Households	382	–	–	–	–	–	–	382
Total	1 221 334	–	–	(892)	–	–	(892)	1 220 442

Details of adjustments to Estimates of National Expenditure 2017**Roll-overs – R12 million**

Programme 1: Administration

R12 million has been rolled over for the installation of voice over internet protocol and video conferencing systems.

Virements and shifts within votes

Programmes					
1. Administration					
2. Citizen Affairs					
3. Immigration Affairs					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(2 226)	Programme 1		2 226
Goods and services	Reclassification of funds from equipment less than R5 000	(2 226)	Machinery and equipment	Facility management	2 226
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(3 430)	Programme 1		3 430
Goods and services	Reclassification of funds from equipment less than R5 000	(3 430)	Machinery and equipment	Facility management	3 430
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Programme 3		(892)	Programme 1		892
Goods and services	Reclassification of funds from equipment less than R5 000	(892)	Machinery and equipment	Facility management	892
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Total		(6 548)			
					6 548

Declared unspent funds – R100 million

Programme 1: Administration

R100 million in unspent funds has been declared on the information and modernisation systems project due to delays in executing the project.

Other adjustments – R1.335 billion

Funds shifted between votes – R264 million

Programme 1: Administration

R264 million has been transferred from the Department of Police for upgrades to the automated biometric information system.

Self-financing expenditure – R1.071 billion

Revenue of R1.071 billion has been generated from the sale of official documents.

Programme 1: Administration

R191.4 million has been allocated for the upgrading of offices that will be rolling out smart identity cards, and for courier service payments.

Programme 2: Citizen Affairs

R879.4 million has been allocated for the production and issuing of passports and smart identity cards.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	2 387 819	1 042 295	43.7	2 210 834	92.6	2 631 217	31.7	981 875	37.3
Citizen Affairs	4 725 520	2 829 356	59.9	4 786 988	101.3	4 450 680	53.6	2 394 765	53.8
Immigration Affairs	1 042 466	611 751	58.7	1 145 702	109.9	1 220 442	14.7	531 490	43.5
Total	8 155 805	4 483 402	55.0	8 143 524	99.8	8 302 339	100.0	3 908 130	47.1
Economic classification									
Current payments	6 327 685	3 219 770	50.9	6 104 389	96.5	6 788 199	81.8	3 075 428	45.3
Compensation of employees	3 069 825	1 523 861	49.6	3 069 768	100.0	3 198 176	38.5	1 565 202	48.9
Goods and services	3 257 860	1 695 909	52.1	3 034 621	93.1	3 590 023	43.2	1 510 226	42.1
Transfers and subsidies	1 817 227	1 219 028	67.1	1 815 653	99.9	1 446 205	17.4	779 155	53.9
Provinces and municipalities	1 695	490	28.9	918	54.2	1 780	0.0	472	26.5
Departmental agencies and accounts	1 792 391	1 203 805	67.2	1 792 405	100.0	1 441 127	17.4	770 173	53.4
Households	23 141	14 733	63.7	22 330	96.5	3 298	0.0	8 510	258.0
Payments for capital assets	10 893	44 604	409.5	194 202	1782.8	67 935	0.8	53 547	78.8
Buildings and other fixed structures	–	623	0.0	112 628	0.0	50 115	0.6	1 055	2.1
Machinery and equipment	10 893	42 936	394.2	81 574	748.9	17 820	0.2	23 725	133.1
Software and other intangible assets	–	1 045	0.0	–	0.0	–	0.0	28 767	0.0
Payments for financial assets	–	–	–	29 280	–	–	0.0	–	0.0
Total	8 155 805	4 483 402	55.0	8 143 524	99.8	8 302 339	100.0	3 908 130	47.1

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R8.1 billion, or 99.8 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R3.9 billion, or 47.1 per cent of the adjusted appropriation of R8.3 billion for the year. In comparison, mid-year expenditure in 2016/17 was R4.5 billion, or 55 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R575.3 million, or 12.8 per cent. This is mainly due to a lower transfer paid to the Independent Electoral Commission, and reduced spending on goods and services items as 2017/18 is not an election year.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	962 325	608 194	63.2	1 099 536	114.3	1 071 205	1 077 037	100.0	309 925	28.8
Sales of goods and services produced by department	935 873	598 500	64.0	1 074 147	114.8	1 053 558	1 053 558	97.8	301 227	28.6
Sales of scrap, waste, arms and other used current goods	39	7	17.9	17	43.6	43	43	0.0	6	14.0
Transfers received	–	–	–	1 162	–	–	5 832	0.5	5 832	100.0
Fines, penalties and forfeits	16 070	4 909	30.5	10 271	63.9	6 884	6 884	0.6	–	–
Interest, dividends and rent on land	315	141	44.8	616	195.6	266	266	0.0	144	54.1
Sales of capital assets	2 264	514	22.7	3 058	135.1	2 325	2 325	0.2	–	–
Transactions in financial assets and liabilities	7 764	4 123	53.1	10 265	132.2	8 129	8 129	0.8	2 716	33.4
Total	962 325	608 194	63.2	1 099 536	114.3	1 071 205	1 077 037	100.0	309 925	28.8

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R309.9 million, or 28.8 per cent of the adjusted revenue estimate of R1.1 million for the year. In comparison, mid-year revenue in 2016/17 was R608.2 million, or 63.2 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R298.3 million, or 49 per cent. This is mainly due to delays in processing foreign revenue.

Vote 6

International Relations and Cooperation

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	6 574 879	6 408 339	(193 334)	26 794
of which:				
Current payments	5 654 721	5 470 627	(184 094)	–
Transfers and subsidies	625 545	616 305	(9 240)	–
Payments for capital assets	294 613	321 407	–	26 794
Executive authority	Minister of International Relations and Cooperation			
Accounting officer	Director-General of International Relations and Cooperation			
Website address	www.dirco.gov.za			

Vote purpose

Formulate, coordinate, implement and manage South Africa's foreign policy and international relations programmes.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of structured bilateral mechanisms to promote national priorities (African Agenda and Agenda of the South) per year	International Relations	Outcome 11: Create a better South Africa, a better Africa and a better world	26 ¹	3	–
Number of high-level engagements coordinated to promote national priorities (African Agenda and Agenda of the South) per year	International Relations		40	22	–
Number of economic diplomacy initiatives undertaken to increase growth:	International Relations				–
- Trade and investment seminars			112	28	
- Engagements with chambers of commerce			126	26	
Number of tourism promotional events hosted per year	International Relations		60	30	–
Number of bilateral meetings held with targeted government ministries and high level potential investors per year	International Relations		70 ¹	34	–
Number of African Union (AU) structures and processes used to promote peace and stability, socioeconomic development, good governance and democracy on the continent per year	International Cooperation		2 ¹	2	–
Number of New Partnership for Africa's Development (NEPAD) summits, working group meetings and processes supported with substance and logistics to enhance socioeconomic development on the continent per year	International Cooperation		2	–	–
Number of SADC structures and processes supported with substance and logistics to promote peace and stability, socioeconomic development, good governance, democracy and regional integration per year	International Cooperation		7 ¹	6	–
Number of multilateral structures and processes to strengthen outcomes to meet the needs of South Africa, Africa and developing countries per year	International Cooperation		20 ¹	10	–
Percentage of requests for protocol services responded to per year	Public Diplomacy and Protocol Services		100%	100% (196)	–
Percentage of requests for public diplomacy services responded to per year	Public Diplomacy and Protocol Services		100%	100% (122)	–

1. Targets changed to realign with the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

Mid-year progress

In the first six months of 2017/18, the department continued to advance national priorities through high-level visits and structural bilateral engagements. Targets for the number of bilateral meetings held with targeted government ministries and high-level potential investors; the number of structural bilateral mechanisms to promote national priorities; and the number of economic diplomacy initiatives undertaken to increase growth, trade and investment seminars, and engagements with chambers of commerce were not achieved mainly due to the unavailability of stakeholders. These meetings, mechanisms and initiatives have been rescheduled for the third and fourth quarters.

The department has already achieved its target on the number of African Union structures and processes used to promote peace and stability, socioeconomic development, good governance and democracy on the continent as these were planned for the first half of the year.

The target for the number of New Partnership for Africa's Development summits and working group meetings was not met because this target is set at head of state level. These meetings are being held, but at senior official level, and will continue to be held in the second half of the year.

During August, South Africa assumed the chairpersonship of the Southern African Development Community, following the conclusion of the 37th Southern African Development Community Summit hosted at the OR Tambo building.

The department met its target for requests for public diplomacy services as all requests were responded to timeously.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Administration	1 556 613	—	—	—	—	—	—	1 556 613
International Relations	3 568 901	—	—	46 688	(145 246)	—	(98 558)	3 470 343
International Cooperation	565 440	—	—	(63 263)	(12 054)	—	(75 317)	490 123
Public Diplomacy and Protocol Services	266 085	—	—	16 575	—	—	16 575	282 660
International Transfers	617 840	—	—	—	(9 240)	—	(9 240)	608 600
Total	6 574 879	—	—	—	(166 540)	—	(166 540)	6 408 339
Economic classification								
Current payments	5 654 721	—	—	(30 788)	(153 306)	—	(184 094)	5 470 627
Compensation of employees	2 914 027	—	—	108 000	—	—	108 000	3 022 027
Goods and services	2 685 409	—	—	(166 237)	(153 306)	—	(319 543)	2 365 866
Interest and rent on land	55 285	—	—	27 449	—	—	27 449	82 734
Transfers and subsidies	625 545	—	—	—	(9 240)	—	(9 240)	616 305
Departmental agencies and accounts	31 483	—	—	—	(9 240)	—	(9 240)	22 243
Foreign governments and international organisations	586 357	—	—	—	—	—	—	586 357
Households	7 705	—	—	—	—	—	—	7 705
Payments for capital assets	294 613	—	—	30 788	(3 994)	—	26 794	321 407
Buildings and other fixed structures	250 322	—	—	3 326	—	—	3 326	253 648
Machinery and equipment	44 291	—	—	27 462	(3 994)	—	23 468	67 759
Total	6 574 879	—	—	—	(166 540)	—	(166 540)	6 408 339

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand	Main appropriation							
Ministry	7 286	–	–	–	–	–	–	7 286
Departmental Management	17 734	–	–	(3 500)	–	–	(3 500)	14 234
Audit Services	21 603	–	–	2 450	–	–	2 450	24 053
Financial Management	161 301	–	–	27 150	–	–	27 150	188 451
Corporate Services	686 190	–	–	(3 420)	–	–	(3 420)	682 770
Diplomatic Training, Research and Development	81 952	–	–	(17 010)	–	–	(17 010)	64 942
Foreign Fixed Assets Management	243 490	–	–	–	–	–	–	243 490
Office Accommodation	337 057	–	–	(5 670)	–	–	(5 670)	331 387
Total	1 556 613	–	–	–	–	–	–	1 556 613
Economic classification								
Current payments	1 281 391	–	–	(31 326)	–	–	(31 326)	1 250 065
Compensation of employees	437 201	–	–	–	–	–	–	437 201
Goods and services	788 905	–	–	(58 775)	–	–	(58 775)	730 130
Interest and rent on land	55 285	–	–	27 449	–	–	27 449	82 734
Transfers and subsidies	1 476	–	–	–	–	–	–	1 476
Households	1 476	–	–	–	–	–	–	1 476
Payments for capital assets	273 746	–	–	31 326	–	–	31 326	305 072
Buildings and other fixed structures	250 322	–	–	3 326	–	–	3 326	253 648
Machinery and equipment	23 424	–	–	28 000	–	–	28 000	51 424
Total	1 556 613	–	–	–	–	–	–	1 556 613

Programme 2: International Relations

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand	Main appropriation							
Africa	1 092 359	–	–	21 420	(47 386)	–	(25 966)	1 066 393
Asia and Middle East	926 384	–	–	7 668	(35 603)	–	(27 935)	898 449
Americas and Caribbean	605 831	–	–	(23 313)	(30 649)	–	(53 962)	551 869
Europe	944 327	–	–	40 913	(31 608)	–	9 305	953 632
Total	3 568 901	–	–	46 688	(145 246)	–	(98 558)	3 470 343
Economic classification								
Current payments	3 545 730	–	–	46 688	(141 252)	–	(94 564)	3 451 166
Compensation of employees	1 967 844	–	–	123 908	–	–	123 908	2 091 752
Goods and services	1 577 886	–	–	(77 220)	(141 252)	–	(218 472)	1 359 414
Transfers and subsidies	5 173	–	–	–	–	–	–	5 173
Households	5 173	–	–	–	–	–	–	5 173
Payments for capital assets	17 998	–	–	–	(3 994)	–	(3 994)	14 004
Machinery and equipment	17 998	–	–	–	(3 994)	–	(3 994)	14 004
Total	3 568 901	–	–	46 688	(145 246)	–	(98 558)	3 470 343

Programme 3: International Cooperation

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand	Main appropriation							
Global System of Governance	298 933	–	–	32 100	–	–	32 100	331 033
Continental Cooperation	175 997	–	–	(83 563)	(12 054)	–	(95 617)	80 380
South-South Cooperation	7 175	–	–	(2 000)	–	–	(2 000)	5 175
North-South Dialogue	83 335	–	–	(9 800)	–	–	(9 800)	73 535
Total	565 440	–	–	(63 263)	(12 054)	–	(75 317)	490 123
Economic classification								
Current payments	562 984	–	–	(63 263)	(12 054)	–	(75 317)	487 667
Compensation of employees	355 309	–	–	(32 483)	–	–	(32 483)	322 826
Goods and services	207 675	–	–	(30 780)	(12 054)	–	(42 834)	164 841
Transfers and subsidies	653	–	–	–	–	–	–	653
Households	653	–	–	–	–	–	–	653
Payments for capital assets	1 803	–	–	–	–	–	–	1 803
Machinery and equipment	1 803	–	–	–	–	–	–	1 803
Total	565 440	–	–	(63 263)	(12 054)	–	(75 317)	490 123

Programme 4: Public Diplomacy and Protocol Services

Subprogramme	2017/18						
	Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
R thousand							
Public Diplomacy	75 304	–	–	3 161	–	–	3 161
Protocol Services	190 781	–	–	13 414	–	–	13 414
Total	266 085	–	–	16 575	–	–	16 575
Economic classification							
Current payments	264 616	–	–	17 113	–	–	17 113
Compensation of employees	153 673	–	–	16 575	–	–	16 575
Goods and services	110 943	–	–	538	–	–	538
Transfers and subsidies	403	–	–	–	–	–	–
Households	403	–	–	–	–	–	–
Payments for capital assets	1 066	–	–	(538)	–	–	(538)
Machinery and equipment	1 066	–	–	(538)	–	–	(538)
Total	266 085	–	–	16 575	–	–	16 575

Programme 5: International Transfers

Subprogramme	2017/18						
	Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
R thousand							
Departmental Agencies	31 483	–	–	–	(9 240)	–	(9 240)
Membership Contribution	586 357	–	–	–	–	–	–
Total	617 840	–	–	–	(9 240)	–	(9 240)
Economic classification							
Transfers and subsidies	617 840	–	–	–	(9 240)	–	(9 240)
Departmental agencies and accounts	31 483	–	–	–	(9 240)	–	(9 240)
Foreign governments and international organisations	586 357	–	–	–	–	–	–
Total	617 840	–	–	–	(9 240)	–	(9 240)

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. International Relations					
3. International Cooperation					
4. Public Diplomacy and Protocol Services					
5. International Transfers					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(65 449)	Programme 1		65 449
Goods and services	Reclassification of funds incorrectly classified in the 2017 ENE	(28 000)	Machinery and equipment	ICT services	28 000
	Reclassification of funds incorrectly classified in the 2017 ENE	(20 775)	Interest and rent on land	Head office public-private partnership unitary payments	20 775
	Reclassification of funds incorrectly classified in the 2017 ENE	(10 000)	Buildings and other fixed structures	Construction and refurbishment of office accommodation	10 000
Buildings and other fixed structures	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(6 674)	Interest and rent on land	Head office public-private partnership unitary payments	6 674
Shifts within the programme as a percentage of the programme budget		6.2%			
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 2		(77 220)	Programme 2		77 220
Goods and services	Cost containment measures effected on operating leases, and travel and subsistence	(14 115)	Compensation of employees	Personnel remuneration ¹	14 115
	Cost containment measures effected on operating leases, and travel and subsistence	(63 105)	Compensation of employees	Personnel remuneration ¹	63 105
Shifts within the programme as a percentage of the programme budget		2.2%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(63 263)	Programme 2		46 688
Goods and services	Cost containment measures effected on operating leases, and travel and subsistence	(30 780)	Compensation of employees	Personnel remuneration ¹	30 780
Compensation of employees	Lower than anticipated expenditure due to exchange rate fluctuations	(15 908)	Compensation of employees	Personnel remuneration	15 908
	Lower than anticipated expenditure due to exchange rate fluctuations	(16 575)	Programme 4		16 575
			Compensation of employees	Personnel remuneration	16 575
Shifts within the programme as a percentage of the programme budget		5.7%			
Virements to other programmes as a percentage of the programme budget		11.2% ²			
Programme 4		(538)	Programme 4		538
Machinery and equipment	Audiovisual equipment ¹	(538)	Goods and services	South African Development Community summit	538
Shifts within the programme as a percentage of the programme budget		2.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(206 470)	206 470		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Declared unspent funds – R166.540 million

Programme 2: International Relations

R145.246 million in unspent funds has been declared on operating leases and property payments due to exchange rate fluctuations.

Programme 3: International Cooperation

R12.054 million in unspent funds has been declared on operating leases, property payments, and travel and subsistence due to exchange rate fluctuations.

Programme 5: International Transfers

R9.240 million in unspent funds has been declared on the South African Development Partnership Agency due to delays in finalising the agreement with the African Renaissance and International Cooperation Fund.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	% of adjusted appropriation	Apr 16 - Mar 17	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 17 - Sep 17	% of adjusted appropriation
R thousand									
Administration	1 551 563	618 379	39.9	1 544 797	99.6	1 556 613	24.3	564 133	36.2
International Relations	3 743 869	1 961 087	52.4	3 742 891	100.0	3 470 343	54.2	1 778 701	51.3
International Cooperation	481 950	231 380	48.0	462 943	96.1	490 123	7.6	225 900	46.1
Public Diplomacy and Protocol Services	272 860	120 565	44.2	271 913	99.7	282 660	4.4	125 454	44.4
International Transfers	788 409	221 523	28.1	822 386	104.3	608 600	9.5	159 578	26.2
Total	6 838 651	3 152 934	46.1	6 844 930	100.1	6 408 339	100.0	2 853 766	44.5

Economic classification	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Current payments	5 769 570	2 831 073	49.1	5 747 716	99.6	5 470 627	85.4	2 660 806	48.6
Compensation of employees	3 071 372	1 531 146	49.9	3 115 625	101.4	3 022 027	47.2	1 486 214	49.2
Goods and services	2 629 918	1 271 477	48.3	2 563 811	97.5	2 365 866	36.9	1 133 225	47.9
Interest and rent on land	68 280	28 450	41.7	68 280	100.0	82 734	1.3	41 367	50.0
Transfers and subsidies	795 752	221 270	27.8	828 585	104.1	616 305	9.6	164 547	26.7
Departmental agencies and accounts	8 831	31	0.4	31	0.4	22 243	0.3	22 243	100.0
Higher education institutions	779 578	217 814	27.9	822 355	105.5	—	0.0	137 335	0.0
Foreign governments and international organisations	—	—	—	—	—	586 357	9.1	—	0.0
Households	7 343	3 425	46.6	6 199	84.4	7 705	0.1	4 969	64.5
Payments for capital assets	273 329	100 591	36.8	268 629	98.3	321 407	5.0	28 413	8.8
Buildings and other fixed structures	215 153	87 283	40.6	215 153	100.0	253 648	4.0	24 075	9.5
Machinery and equipment	58 176	13 308	22.9	53 476	91.9	67 759	1.1	4 338	6.4
Total	6 838 651	3 152 934	46.1	6 844 930	100.1	6 408 339	100.0	2 853 766	44.5

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R6.8 billion, or 100.1 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R2.9 billion, or 44.5 per cent of the adjusted appropriation of R6.4 billion for the year. In comparison, mid-year expenditure in 2016/17 was R3.2 billion, or 46.1 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R299.2 million, or 9.5 per cent. This is mainly due to exchange rate fluctuations, the completion of construction projects, and a revision of operating lease payment terms for some missions.

Departmental receipts

	2016/17					2017/18			
	Audited outcome					Actual receipts			
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	24 340	19 354	79.5	29 000	119.1	38 464	38 464	100.0	17 172
Sales of goods and services produced by department	1 077	667	61.9	972	90.3	1 122	990	2.6	692
Sales of scrap, waste, arms and other used current goods	—	—	—	—	—	—	10	0.0	10
Fines, penalties and forfeits	—	—	—	—	—	—	4	0.0	3
Interest, dividends and rent on land	1 827	384	21.0	694	38.0	1 918	653	1.7	325
Sales of capital assets	6 097	2 617	42.9	4 357	71.5	6 402	5 071	13.2	1 233
Transactions in financial assets and liabilities	15 339	15 686	102.3	22 977	149.8	29 022	31 736	82.5	14 909
Total	24 340	19 354	79.5	29 000	119.1	38 464	38 464	100.0	17 172

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R17.2 million, or 44.6 per cent of the adjusted revenue estimate of R38.5 million for the year. In comparison, mid-year revenue in 2016/17 was R19.4 million, or 79.5 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R2.2 million, or 11.3 per cent. This is mainly due to the department disposing of fewer assets than in the previous financial year.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
International Transfers								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	9 240	–	–	–	(9 240)	–	(9 240)	–
South African Development Partnership Agency	9 240	–	–	–	(9 240)	–	(9 240)	–

Vote 7

National Treasury

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	30 799 220	40 584 306	(231 763)	10 016 849
of which:				
Current payments	2 336 056	2 344 445	–	8 389
Transfers and subsidies	23 578 385	23 346 622	(231 763)	–
Payments for capital assets	15 662	24 122	–	8 460
Payments for financial assets	4 869 117	14 869 117	–	10 000 000
Direct charge against the National Revenue Fund	615 856 815	616 714 049	–	857 234
Executive authority	Minister of Finance			
Accounting officer	Director-General of the National Treasury			
Website address	www.treasury.gov.za			

Vote purpose

Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, maintenance of macroeconomic and financial sector stability, and effective financial regulation of the economy.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Net loan debt as a percentage of GDP	Asset and Liability Management	Outcome 4: Decent employment through inclusive growth	47% (R2.2tr)	47.3% (R2.2tr)	49.1% (R2.3tr)
Value of government gross annual borrowing	Asset and Liability Management		R220.9bn	R394.6bn	R706.9bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		3.4% (R162.4bn)	1.7% (R78.6bn)	3.5% (R163.3bn)
Number of active training providers delivering the municipal regulated minimum competency levels programme per year	Financial Accounting and Supply Chain Management Systems	Outcome 12: An efficient, effective and development-oriented public service	43	– ¹	–
Number of individuals trained per year to assist with the implementation of financial management reforms	Financial Accounting and Supply Chain Management Systems		1 000 ²	640	–
Number of transversal term contracts renewed per year for national procurement	Financial Accounting and Supply Chain Management Systems		17	10	–
Total number of precinct plans completed	Technical Support and Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	4 ²	2	–
Total number of catalytic projects approved	Technical Support and Development Finance		20 ²	21	–
Total estimated third-party investment leveraged for neighbourhood development	Technical Support and Development Finance		R4.3bn	– ¹	–
Number of integrated projects in integration zones identified for planning per year	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive growth	12	7	–
Number of integrated projects in integration zones under implementation per year	Technical Support and Development Finance		10	7	–
Total number of new jobs contracted for approved and active projects in the Jobs Fund (cumulative)	Technical Support and Development Finance		150 000	146 846	–
Total number of placements contracted with project partners on the Jobs Fund (cumulative inception to date and still active) per year	Technical Support and Development Finance		100 000 ²	93 057	–

1. Indicator no longer measured and removed from the department's 2017/18 annual performance plan.

2. Indicator/target changed to align with the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

Changes to indicators and targets published in the 2017 ENE

Government's gross borrowing requirement for 2017/18 is estimated to increase in line with the projected higher budget deficit. An increase in debt-service costs is expected due to changes to macroeconomic variables such as interest and foreign exchange rates.

Mid-year progress

In the first six months of the year, 640 individuals were trained to assist with the implementation of financial management reforms. Due to improved compliance by municipalities, the department plans to train 1 000 municipal officials by the end of 2017/18.

The department approved 21 catalytic projects in the first six months of 2017/18, exceeding its annual target of 20 projects. This is due to planned projects that have been put in place to ensure continuity and alignment with the medium-term budget.

A total of 146 846 new jobs have been contracted for approved and active projects as a result of Jobs Fund projects. The department is confident that it will meet its target of contracting 150 000 new jobs by the end of the financial year. In addition, a total of 93 057 placements have been made with Jobs Fund project partners. The department will focus on meeting the target of making 100 000 placements by the end of the financial year.

Adjusted Estimates of National Expenditure 2017

Programme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	414 310	–	–	24 761	–	–	24 761	439 071
Economic Policy, Tax, Financial Regulation and Research	139 649	–	–	1 842	–	22 500	24 342	163 991
Public Finance and Budget Management	286 103	–	–	16 943	–	–	16 943	303 046
Asset and Liability Management	102 355	–	–	(2 043)	–	10 000 000	9 997 957	10 100 312
Financial Accounting and Supply Chain Management Systems	1 087 876	–	–	(8 730)	–	–	(8 730)	1 079 146
International Financial Relations	5 836 761	–	–	(5 373)	–	–	(5 373)	5 831 388
Civil and Military Pensions, Contributions to Funds and Other Benefits	4 835 002	–	–	–	–	–	–	4 835 002
Technical Support and Development Finance	2 873 327	–	–	(27 400)	(237 414)	–	(264 814)	2 608 513
Revenue Administration	10 218 198	–	–	–	–	–	–	10 218 198
Financial Intelligence and State Security	5 005 639	–	–	–	–	–	–	5 005 639
Sub-total	30 799 220	–	–	–	(237 414)	10 022 500	9 785 086	40 584 306
Direct charge against the National Revenue Fund	615 856 815	–	–	–	–	857 234	857 234	616 714 049
Provincial equitable share	441 331 122	–	–	–	–	–	–	441 331 122
Debt-service costs	162 353 119	–	–	–	–	994 816	994 816	163 347 935
General fuel levy sharing with metropolitan municipalities	11 785 023	–	–	–	–	–	–	11 785 023
National Revenue Fund payments	387 551	–	–	–	–	(137 582)	(137 582)	249 969
Total	646 656 035	–	–	–	(237 414)	10 879 734	10 642 320	657 298 355

Economic classification		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Current payments	164 689 175	–	–	(6 697)	(7 414)	1 017 316	1 003 205	165 692 380
Compensation of employees	799 276	–	–	24 000	–	–	24 000	823 276
Goods and services	1 536 780	–	–	(30 697)	(7 414)	22 500	(15 611)	1 521 169
Interest and rent on land	162 353 119	–	–	–	–	994 816	994 816	163 347 935
Transfers and subsidies	476 694 530	–	–	(1 763)	(230 000)	–	(231 763)	476 462 767
Provinces and municipalities	454 714 434	–	–	–	–	–	–	454 714 434
Departmental agencies and accounts	16 280 986	–	–	–	(230 000)	–	(230 000)	16 050 986
Foreign governments and international organisations	917 485	–	–	(4 229)	–	–	(4 229)	913 256
Public corporations and private enterprises	12 586	–	–	(2 000)	–	–	(2 000)	10 586
Households	4 769 039	–	–	4 466	–	–	4 466	4 773 505
Payments for capital assets	15 662	–	–	8 460	–	–	8 460	24 122
Machinery and equipment	15 662	–	–	3 730	–	–	3 730	19 392
Software and other intangible assets	–	–	–	4 730	–	–	4 730	4 730
Payments for financial assets	5 256 668	–	–	–	–	9 862 418	9 862 418	15 119 086
Total	646 656 035	–	–	–	(237 414)	10 879 734	10 642 320	657 298 355

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Ministry	4 861	–	–	–	–	–	–	4 861
Departmental Management	57 998	–	–	7 137	–	–	7 137	65 135
Corporate Services	119 887	–	–	7 569	–	–	7 569	127 456
Enterprise Wide Risk Management	29 335	–	–	(576)	–	–	(576)	28 759
Financial Administration	39 299	–	–	634	–	–	634	39 933
Legal Services	20 116	–	–	430	–	–	430	20 546
Internal Audit	22 521	–	–	1 370	–	–	1 370	23 891
Communications	9 622	–	–	4 612	–	–	4 612	14 234
Office Accommodation	110 671	–	–	3 585	–	–	3 585	114 256
Total	414 310	–	–	24 761	–	–	24 761	439 071
Economic classification								
Current payments	403 954	–	–	20 459	–	–	20 459	424 413
Compensation of employees	199 536	–	–	7 616	–	–	7 616	207 152
Goods and services	204 418	–	–	12 843	–	–	12 843	217 261
Transfers and subsidies	3 880	–	–	3 437	–	–	3 437	7 317
Departmental agencies and accounts	2 080	–	–	–	–	–	–	2 080
Households	1 800	–	–	3 437	–	–	3 437	5 237
Payments for capital assets	6 476	–	–	865	–	–	865	7 341
Machinery and equipment	6 476	–	–	523	–	–	523	6 999
Software and other intangible assets	–	–	–	342	–	–	342	342
Total	414 310	–	–	24 761	–	–	24 761	439 071

Programme 2: Economic Policy, Tax, Financial Regulation and Research

Subprogramme		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Programme Management for Economic Policy, Tax, Financial Regulation and Research	24 751	–	–	(1 232)	–	22 500	21 268	46 019
Research	13 301	–	–	1 700	–	–	1 700	15 001
Financial Sector Policy	24 627	–	–	2 577	–	–	2 577	27 204
Tax Policy	29 674	–	–	649	–	–	649	30 323
Economic Policy	28 021	–	–	(1 852)	–	–	(1 852)	26 169
Cooperative Banks Development Agency	19 275	–	–	–	–	–	–	19 275
Total	139 649	–	–	1 842	–	22 500	24 342	163 991

Programme 2: Economic Policy, Tax, Financial Regulation and Research (continued)

Economic classification		2017/18						Adjusted appropriation
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Current payments	106 943	–	–	3 368	–	22 500	25 868	132 811
Compensation of employees	78 107	–	–	1 842	–	–	1 842	79 949
Goods and services	28 836	–	–	1 526	–	22 500	24 026	52 862
Transfers and subsidies	31 861	–	–	(1 675)	–	–	(1 675)	30 186
Departmental agencies and accounts	19 275	–	–	–	–	–	–	19 275
Public corporations and private enterprises	12 586	–	–	(2 000)	–	–	(2 000)	10 586
Households	–	–	–	325	–	–	325	325
Payments for capital assets	845	–	–	149	–	–	149	994
Machinery and equipment	845	–	–	149	–	–	149	994
Total	139 649	–	–	1 842	–	22 500	24 342	163 991

Programme 3: Public Finance and Budget Management

Programme on Public Finance and Budget Management								
Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Programme Management for Public Finance and Budget Management	27 160	–	–	(3 073)	–	–	(3 073)	24 087
Public Finance	56 635	–	–	6 587	–	–	6 587	63 222
Budget Office and Coordination	58 287	–	–	1 342	–	–	1 342	59 629
Intergovernmental Relations	93 374	–	–	12 087	–	–	12 087	105 461
Financial and Fiscal Commission	50 647	–	–	–	–	–	–	50 647
Total	286 103	–	–	16 943	–	–	16 943	303 046
Economic classification								
Current payments	233 673	–	–	16 589	–	–	16 589	250 262
Compensation of employees	201 945	–	–	16 943	–	–	16 943	218 888
Goods and services	31 728	–	–	(354)	–	–	(354)	31 374
Transfers and subsidies	50 647	–	–	322	–	–	322	50 969
Departmental agencies and accounts	50 647	–	–	–	–	–	–	50 647
Households	–	–	–	322	–	–	322	322
Payments for capital assets	1 783	–	–	32	–	–	32	1 815
Machinery and equipment	1 783	–	–	32	–	–	32	1 815
Total	286 103	–	–	16 943	–	–	16 943	303 046

Programme 4: Asset and Liability Management

Subprogramme		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Programme Management for Asset and Liability Management	15 325	–	–	(2 829)	–	–	(2 829)	12 496
State Owned Entity Financial Management and Governance	33 732	–	–	1 332	–	10 000 000	10 001 332	10 035 064
Government Debt Management	18 883	–	–	(275)	–	–	(275)	18 608
Financial Operations	23 225	–	–	(777)	–	–	(777)	22 448
Strategy and Risk Management	11 190	–	–	506	–	–	506	11 696
Total	102 355	–	–	(2 043)	–	10 000 000	9 997 957	10 100 312
Economic classification								
Current payments	101 681	–	–	(4 887)	–	–	(4 887)	96 794
Compensation of employees	77 547	–	–	957	–	–	957	78 504
Goods and services	24 134	–	–	(5 844)	–	–	(5 844)	18 290
Transfers and subsidies	–	–	–	218	–	–	218	218
Households	–	–	–	218	–	–	218	218
Payments for capital assets	674	–	–	2 626	–	–	2 626	3 300
Machinery and equipment	674	–	–	6	–	–	6	680
Software and other intangible assets	–	–	–	2 620	–	–	2 620	2 620
Payments for financial assets	–	–	–	–	–	10 000 000	10 000 000	10 000 000
Total	102 355	–	–	(2 043)	–	10 000 000	9 997 957	10 100 312

Programme 5: Financial Accounting and Supply Chain Management Systems

Subprogramme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for Financial Accounting and Supply Chain Management Systems	101 188	–	–	(1 242)	–	–	(1 242)	99 946
Office of the Chief Procurement Officer	68 903	–	–	5 762	–	–	5 762	74 665
Financial Systems	638 640	–	–	(4 147)	–	–	(4 147)	634 493
Financial Reporting for National Accounts	99 180	–	–	27	–	–	27	99 207
Financial Management Policy and Compliance Improvement	133 414	–	–	(9 130)	–	–	(9 130)	124 284
Audit Statutory Bodies	46 278	–	–	–	–	–	–	46 278
Service Charges: Commercial Banks	273	–	–	–	–	–	–	273
Total	1 087 876	–	–	(8 730)	–	–	(8 730)	1 079 146
Economic classification								
Current payments	983 183	–	–	(13 573)	–	–	(13 573)	969 610
Compensation of employees	206 111	–	–	2 015	–	–	2 015	208 126
Goods and services	777 072	–	–	(15 588)	–	–	(15 588)	761 484
Transfers and subsidies	99 365	–	–	146	–	–	146	99 511
Departmental agencies and accounts	99 365	–	–	–	–	–	–	99 365
Households	–	–	–	146	–	–	146	146
Payments for capital assets	5 328	–	–	4 697	–	–	4 697	10 025
Machinery and equipment	5 328	–	–	2 929	–	–	2 929	8 257
Software and other intangible assets	–	–	–	1 768	–	–	1 768	1 768
Total	1 087 876	–	–	(8 730)	–	–	(8 730)	1 079 146

Programme 6: International Financial Relations

Subprogramme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for International Financial Relations	12 213	–	–	(3 104)	–	–	(3 104)	9 109
International Economic Cooperation	40 513	–	–	1 960	–	–	1 960	42 473
African Integration and Support	765 623	–	–	(5 593)	–	–	(5 593)	760 030
International Development Funding Institutions	4 999 249	–	–	–	–	–	–	4 999 249
International Projects	19 163	–	–	1 364	–	–	1 364	20 527
Total	5 836 761	–	–	(5 373)	–	–	(5 373)	5 831 388
Economic classification								
Current payments	52 170	–	–	(1 253)	–	–	(1 253)	50 917
Compensation of employees	36 030	–	–	(5 373)	–	–	(5 373)	30 657
Goods and services	16 140	–	–	4 120	–	–	4 120	20 260
Transfers and subsidies	914 918	–	–	(4 211)	–	–	(4 211)	910 707
Foreign governments and international organisations	914 918	–	–	(4 229)	–	–	(4 229)	910 689
Households	–	–	–	18	–	–	18	18
Payments for capital assets	556	–	–	91	–	–	91	647
Machinery and equipment	556	–	–	91	–	–	91	647
Payments for financial assets	4 869 117	–	–	–	–	–	–	4 869 117
Total	5 836 761	–	–	(5 373)	–	–	(5 373)	5 831 388

Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits

Subprogramme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Government Pensions Administration Agency	65 196	–	–	–	–	–	–	65 196
Civil Pensions and Contributions to Funds	3 810 409	–	–	15 213	–	–	15 213	3 825 622
Military Pensions and Other Benefits	959 397	–	–	(15 213)	–	–	(15 213)	944 184
Total	4 835 002	–	–	–	–	–	–	4 835 002

Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits (continued)

Economic classification		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	65 196	–	–	–	–	–	–	65 196
Goods and services	65 196	–	–	–	–	–	–	65 196
Transfers and subsidies	4 769 806	–	–	–	–	–	–	4 769 806
Foreign governments and international organisations	2 567	–	–	–	–	–	–	2 567
Households	4 767 239	–	–	–	–	–	–	4 767 239
Total	4 835 002	–	–	–	–	–	–	4 835 002

Programme 8: Technical Support and Development Finance

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Local Government Financial Management Support	636 762	–	–	(9 000)	–	–	(9 000)	627 762
Urban Development and Support	983 253	–	–	–	–	–	–	983 253
Employment Creation Facilitation	897 404	–	–	–	(237 414)	–	(237 414)	659 990
Government Technical Advisory Centre	80 818	–	–	–	–	–	–	80 818
Infrastructure Development Support	275 090	–	–	(18 400)	–	–	(18 400)	256 690
Total	2 873 327	–	–	(27 400)	(237 414)	–	(264 814)	2 608 513
Economic classification								
Current payments	389 256	–	–	(27 400)	(7 414)	–	(34 814)	354 442
Goods and services	389 256	–	–	(27 400)	(7 414)	–	(34 814)	354 442
Transfers and subsidies	2 484 071	–	–	–	(230 000)	–	(230 000)	2 254 071
Provinces and municipalities	1 598 289	–	–	–	–	–	–	1 598 289
Departmental agencies and accounts	885 782	–	–	–	(230 000)	–	(230 000)	655 782
Total	2 873 327	–	–	(27 400)	(237 414)	–	(264 814)	2 608 513

Direct charges against the National Revenue Fund

		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Provincial equitable share	441 331 122	–	–	–	–	–	–	441 331 122
Debt-service costs	162 353 119	–	–	–	–	994 816	994 816	163 347 935
General fuel levy sharing with metropolitan municipalities	11 785 023	–	–	–	–	–	–	11 785 023
National Revenue Fund payments	387 551	–	–	–	–	(137 582)	(137 582)	249 969
Total	615 856 815	–	–	–	–	857 234	857 234	616 714 049
Economic classification								
Current payments	162 353 119	–	–	–	–	994 816	994 816	163 347 935
Interest and rent on land	162 353 119	–	–	–	–	994 816	994 816	163 347 935
Transfers and subsidies	453 116 145	–	–	–	–	–	–	453 116 145
Provinces and municipalities	453 116 145	–	–	–	–	–	–	453 116 145
Payments for financial assets	387 551	–	–	–	–	(137 582)	(137 582)	249 969
Total	615 856 815	–	–	–	–	857 234	857 234	616 714 049

Virements and shifts within votes

Programmes

1. Administration
2. Economic Policy, Tax, Financial Regulation and Research
3. Public Finance and Budget Management
4. Asset and Liability Management
5. Financial Accounting and Supply Chain Management Systems
6. International Financial Relations
7. Civil and Military Pensions, Contributions to Funds and Other Benefits
8. Technical Support and Development Finance
9. Revenue Administration
10. Financial Intelligence and State Security

FROM:

Programme by economic classification	Motivation	R thousand	TO:	Programme by economic classification	Motivation	R thousand
Programme 1		(1 102)	Programme 1			1 102
Goods and services	Cost containment measures effected on advertising, communications, consultants and minor assets	(523)	Machinery and equipment	ICT equipment		523
	Cost containment measures effected on advertising, communications, contractors, minor assets, stationery, training, and travel and subsistence	(237)	Households	Leave gratuities		237
	Reclassification of computer services for software licences due to changes to the standard chart of accounts	(342)	Software and other intangible assets	Reclassification of computer services for software licences due to changes to the standard chart of accounts		342
Shifts within the programme as a percentage of the programme budget		2.9%				
Virements to other programmes as a percentage of the programme budget		0.0%				
Programme 2		(2 474)	Programme 2			2 474
Goods and services	Cost containment measures effected on advertising, communications, minor assets, stationery, training, and travel and subsistence	(149)	Machinery and equipment	ICT equipment		149
	Cost containment measures effected on advertising, minor assets, stationery, training, and travel and subsistence	(325)	Households	Leave gratuities		325
Public corporations and private enterprises	Transfer payment to Economic Research Southern Africa ¹	(2 000)	Goods and services	Publishing the Financial Sector Regulation Act (2017) in the Government Gazette		2 000
Shifts within the programme as a percentage of the programme budget		3.3%				
Virements to other programmes as a percentage of the programme budget		0.0%				
Programme 3		(354)	Programme 3			354
Goods and services	Cost containment measures effected on advertising, stationery and training	(32)	Machinery and equipment	ICT equipment		32
	Cost containment measures effected on advertising, stationery and training	(322)	Households	Leave gratuities		322
Shifts within the programme as a percentage of the programme budget		1.3%				
Virements to other programmes as a percentage of the programme budget		0.0%				
Programme 4		(5 844)	Programme 1			3 000
Goods and services	Consultancy services for state aviation projects	(3 000)	Compensation of employees	Filling of critical posts ¹		3 000
	Cost containment measures effected on communications and training	(6)	Programme 4			2 844
	Cost containment measures effected on bursaries, communications, minor assets, stationery, training, and travel and subsistence	(218)	Machinery and equipment	ICT equipment		6
	Reclassification of computer services for software licences due to changes to the standard chart of accounts	(2 620)	Households	Leave gratuities		218
			Software and other intangible assets	Reclassification of computer services for software licences due to changes to the standard chart of accounts		2 620
Shifts within the programme as a percentage of the programme budget		3.9%				
Virements to other programmes as a percentage of the programme budget		2.9%				

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 5		(15 588)	Programme 1		10 745
Goods and services	Cost containment measures effected on advertising and consultancy services	(3 200)	Households	Leave gratuities	3 200
	Cost containment measures effected on advertising, consultancy services and computer services	(4 545)	Goods and services	Electricity costs	4 545
	Cost containment measures effected on audit costs, computer services, and venues and facilities	(3 000)	Compensation of employees	Filling of critical posts ¹	3 000
	Cost containment measures effected on advertising, bursaries, computer services, consultancy services, consumables, minor assets, operating leases, and venues and facilities	(2 929)	Programme 5		4 843
	Cost containment measures effected on advertising, bursaries, catering, communications, operating leases, stationery, training, and venues and facilities	(146)	Machinery and equipment	ICT equipment	2 929
	Reclassification of computer services for software licences due to changes to the standard chart of accounts	(1 768)	Households	Leave gratuities	146
			Software and other intangible assets	Reclassification of computer services for software licences due to changes to the standard chart of accounts	1 768
Shifts within the programme as a percentage of the programme budget		1.0%			
Virements to other programmes as a percentage of the programme budget		1.0%			
Programme 6		(9 711)	Programme 6		4 338
Goods and services	Cost containment measures effected mainly on advertising, bursaries, training, and travel and subsistence	(91)	Machinery and equipment	ICT equipment	91
	Cost containment measures effected mainly on advertising, bursaries and training	(18)	Households	Leave gratuities	18
Foreign governments and international organisations	Transfer payment to Africa Risk Capacity due to South Africa's membership not being finalised ¹	(4 073)	Goods and services	Hosting the Brazil-Russia-India-China-South Africa group of countries summit, the Southern African Development Community summit, and Southern African Customs Union negotiation meetings	4 073
	Transfer payment to African Institute for Economic Development and Planning ¹	156	Goods and services	Hosting the Brazil-Russia-India-China-South Africa group of countries summit, the Southern African Development Community summit, and Southern African Customs Union negotiation meetings	156
Compensation of employees	Vacant posts	(4 382)	Programme 3		4 382
	Vacant posts	(991)	Compensation of employees	Filling of critical posts	4 382
			Programme 5		991
			Compensation of employees	Filling of critical posts	991
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Programme 8		(27 400)	Programme 1		11 016
Goods and services	Consultancy services ¹	(9 400)	Goods and services	Electricity costs	9 400
	Consultancy services	(1 616)	Compensation of employees	Filling of critical posts ¹	1 616
	Consultancy services	(1 842)	Programme 2		1 842
	Consultancy services	(12 561)	Compensation of employees	Filling of critical posts ¹	1 842
			Programme 3		12 561
			Compensation of employees	Filling of critical posts ¹	12 561

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Consultancy services	(957)	Programme 4		957
	Consultancy services	(1 024)	Compensation of employees	Filling of critical posts ¹	957
			Programme 5		1 024
			Compensation of employees	Filling of critical posts ¹	1 024
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.0%			
Programme 10		(90 649)	Programme 10		90 649
Departmental agencies and accounts	Reclassification of funds to the South Africa Secret Service from capital transfers ²	(90 649)	Departmental agencies and accounts	Reclassification of funds to the South Africa Secret Service to current transfers ¹	90 649
Shifts within the programme as a percentage of the programme budget		1.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(153 122)	153 122		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Declared unspent funds – R237.414 million

Programme 8: Technical Support and Development Finance

R237.414 million in unspent funds has been declared on the Jobs Fund subsequent to the review of the current project portfolio due to implementation delays experienced on planned projects, and non-compliance with the requirements in the operating guidelines and disbursements framework for the Jobs Fund.

Other adjustments – R10.023 billion

Appropriation of expenditure earmarked in the 2017 budget speech for future allocation – R4.792 billion

Programme 4: Asset and Liability Management

An additional R4.792 billion is allocated for the recapitalisation of South African Airways.

Use of funds in terms of Section 16 of the PFMA – R5.208 billion

Programme 4: Asset and Liability Management

An additional amount of R5.208 billion has been allocated to the vote to defray expenditure in respect of South African Airways' debt obligations.

A report was provided to Parliament and the Auditor-General detailing the approval by the Minister of Finance, as required by the PFMA.

Self-financing expenditure – R22.5 million

Programme 2: Economic Policy, Tax, Financial Regulation and Research

R22.5 million relates to the Emolument Attachment Orders project. The amount will be paid to the service provider in respect of services rendered on this contract.

Direct charges against the National Revenue Fund – R857.234 million

Adjustments due to significant and unforeseeable economic and financial events – R857.234 million

Debt-service costs

R994.816 million has been allocated to debt-service costs, which have increased due to changes in macroeconomic variables such as interest and foreign exchange rates.

National Revenue Fund payments

National Revenue Fund payments have decreased by R137.582 million.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	% of adjusted appropriation	Apr 16 - Mar 17	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	% of adjusted appropriation
R thousand									
Administration	467 416	182 139	39.0	436 312	93.3	439 071	0.1	189 905	43.3
Economic Policy, Tax, Financial Regulation and Research	150 161	75 174	50.1	151 182	100.7	163 991	0.0	67 212	41.0
Public Finance and Budget Management	294 483	141 862	48.2	281 778	95.7	303 046	0.0	145 422	48.0
Asset and Liability Management	113 129	44 546	39.4	110 146	97.4	10 100 312	1.5	5 252 661	52.0
Financial Accounting and Supply Chain Management Systems	1 216 758	757 746	62.3	1 209 858	99.4	1 079 146	0.2	365 451	33.9
International Financial Relations	4 977 977	4 001 957	80.4	4 955 753	99.6	5 831 388	0.9	24 866	0.4
Civil and Military Pensions, Contributions to Funds and Other Benefits	4 462 642	1 686 650	37.8	4 400 159	98.6	4 835 002	0.7	1 908 797	39.5
Technical Support and Development Finance	2 612 688	1 392 801	53.3	2 478 432	94.9	2 608 513	0.4	1 449 626	55.6
Revenue Administration	9 363 676	5 004 576	53.4	9 363 676	100.0	10 218 198	1.6	5 109 096	50.0
Financial Intelligence and State Security	4 812 487	2 332 387	48.5	4 812 487	100.0	5 005 639	0.8	2 161 518	43.2
Subtotal	28 471 417	15 619 838	54.9	28 199 783	99.0	40 584 306	6.2	16 674 554	41.1
Direct charge against the National Revenue Fund	570 833 034	281 006 072	49.2	570 197 128	99.9	616 714 049	93.8	303 470 033	49.2
Provincial equitable share	410 698 585	205 349 310	50.0	410 698 585	100.0	441 331 122	67.1	220 665 568	50.0
Debt-service costs	147 689 225	71 684 052	48.5	146 496 697	99.2	163 347 935	24.9	78 626 155	48.1
General fuel levy sharing with metropolitan municipalities	11 223 831	3 741 276	33.3	11 223 830	100.0	11 785 023	1.8	3 928 341	33.3
National Revenue Fund payments	1 221 393	231 434	18.9	1 778 016	145.6	249 969	0.0	249 969	100.0
Total	599 304 451	296 625 910	49.5	598 396 911	99.8	657 298 355	100.0	320 144 587	48.7
Economic classification									
Current payments	150 180 189	72 985 891	48.6	148 858 206	99.1	165 692 380	25.2	79 549 075	48.0
Compensation of employees	815 716	404 708	49.6	786 431	96.4	823 276	0.1	411 558	50.0
Goods and services	1 675 248	897 131	53.6	1 575 078	94.0	1 521 169	0.2	511 362	33.6
Interest and rent on land	147 689 225	71 684 052	48.5	146 496 697	99.2	163 347 935	24.9	78 626 155	48.1
Transfers and subsidies	443 844 741	219 419 201	49.4	443 713 082	100.0	476 462 767	72.5	235 135 423	49.4
Provinces and municipalities	423 408 956	209 982 683	49.6	423 376 815	100.0	454 714 434	69.2	225 495 898	49.6
Departmental agencies and accounts	15 096 038	7 764 385	51.4	15 074 146	99.9	16 050 986	2.4	7 748 327	48.3
Higher education institutions	925 522	1 939	0.2	907 607	98.1	–	0.0	858	0.0
Foreign governments and international organisations	11 999	8 000	66.7	11 999	100.0	913 256	0.1	4 195	0.5
Public corporations and private enterprises	–	–	–	–	–	10 586	0.0	–	0.0
Households	4 402 226	1 662 194	37.8	4 342 515	98.6	4 773 505	0.7	1 886 145	39.5

R thousand	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Payments for capital assets	56 893	12 078	21.2	46 379	81.5	24 122	0.0	2 215	9.2
Buildings and other fixed structures	200	–	0.0	–	0.0	–	0.0	–	–
Machinery and equipment	56 663	12 078	21.3	46 379	81.9	19 392	0.0	2 180	11.2
Software and other intangible assets	30	–	0.0	–	0.0	4 730	0.0	35	0.7
Payments for financial assets	5 222 628	4 208 740	80.6	5 779 244	110.7	15 119 086	2.3	5 457 874	36.1
Total	599 304 451	296 625 910	49.5	598 396 911	99.8	657 298 355	100.0	320 144 587	48.7

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R598.4 billion, or 99.8 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R320.1 billion, or 48.7 per cent of the adjusted appropriation of R657.3 billion for the year. In comparison, mid-year expenditure in 2016/17 was R296.6 billion, or 49.5 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R23.5 billion, or 7.9 per cent. This is mainly due to increased direct charges against the National Revenue Fund, which includes debt-service payments, equitable share payments to provinces and municipalities, fuel levies and the payments to the South African Airways in terms of Section 16 of the PFMA.

Departmental receipts

R thousand	2016/17 Audited outcome					2017/18 Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	5 187 759	2 417 448	46.6	4 951 206	95.4	5 110 655	4 111 329	19.7	2 416 840	58.8
Sales of goods and services produced by department	29 933	4 719	15.8	11 813	39.5	31 691	31 706	0.2	8 673	27.4
Sales of scrap, waste, arms and other used current goods	24	21	87.5	14	58.3	22	22	0.0	4	18.2
Interest, dividends and rent on land	4 067 002	1 497 469	36.8	4 032 638	99.2	3 988 602	2 988 602	14.4	1 490 777	49.9
Sales of capital assets	–	–	–	136	–	–	659	0.0	659	100.0
Transactions in financial assets and liabilities	1 090 800	915 239	83.9	906 605	83.1	1 090 340	1 090 340	5.2	916 727	84.1
National Revenue Fund receipts	14 665 000	12 924 751	88.1	14 240 651	97.1	14 578 000	16 710 000	80.3	8 196 187	49.0
<i>Of which:</i>										
Revaluation of profits on foreign currency transactions	11 154 808	10 405 610	93.3	10 710 440	96.0	14 578 000	13 316 000	64.0	6 013 939	45.2
Premiums on loan transactions	2 752 807	1 761 756	64.0	2 594 049	94.2	–	1 353 000	6.5	713 408	52.7
Premiums on debt portfolio restructuring (switches)	747 193	747 193	100.0	916 990	122.7	–	2 041 000	9.8	1 468 840	72.0
Other (mainly penalties on retail bonds)	–	10 192	–	19 172	–	–	–	0.0	–	–
Total	19 852 759	15 342 199	77.3	19 191 857	96.7	19 688 655	20 821 329	100.0	10 613 027	51.0

Revenue trends for the first six months of 2017/18

Excluding National Revenue Fund receipts, revenue in the first six months of 2017/18 was R2.4 billion, or 58.8 per cent of the adjusted revenue estimate of R4.1 billion for the year. In comparison, mid-year revenue in 2016/17 was R2.4 billion, or 46.6 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R608 000. This is mainly due to lower than expected interest received on guarantee fees.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Administration							
Households							
Social benefits							
Current	–	–	–	3 437	–	–	3 437
Employee social benefits	–	–	–	3 437	–	–	3 437
Economic Policy, Tax, Financial Regulation and Research							
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	12 586	–	–	(2 000)	–	–	10 586
Economic Research Southern Africa	12 586	–	–	(2 000)	–	–	10 586
Households							
Social benefits							
Current	–	–	–	325	–	–	325
Employee social benefits	–	–	–	325	–	–	325
Public Finance and Budget Management							
Households							
Social benefits							
Current	–	–	–	322	–	–	322
Employee social benefits	–	–	–	322	–	–	322
Asset and Liability Management							
Households							
Social benefits							
Current	–	–	–	218	–	–	218
Employee social benefits	–	–	–	218	–	–	218
Financial Accounting and Supply Chain Management Systems							
Households							
Social benefits							
Current	–	–	–	146	–	–	146
Employee social benefits	–	–	–	146	–	–	146
International Financial Relations							
Foreign governments and international organisations							
Current	23 745	–	–	(4 229)	–	–	19 516
Collaborative Africa Budget Reform Initiative	1 630	–	–	882	–	–	2 512
International Finance Facility for Immunisation	13 046	–	–	1 364	–	–	14 410
African Institute for Economic Development and Planning	1 309	–	–	(156)	–	–	1 153
Africa Regional Technical Assistance Centre for Southern Africa	1 125	–	–	316	–	–	1 441
African Risk Capacity	6 635	–	–	(6 635)	–	–	–
Capital	130 132	–	–	–	–	–	130 132
African Development Fund	33 465	–	–	40 000	–	–	73 465
World Bank Group	96 667	–	–	(40 000)	–	–	56 667
Households							
Social benefits							
Current	–	–	–	18	–	–	18
Employee social benefits	–	–	–	18	–	–	18

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

2017/18								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Civil and Military Pensions, Contributions to Funds and Other Benefits								
Households								
Social benefits								
Current	3 734 955	–	–	–	–	–	–	3 734 955
Other benefits	93 144	–	–	(8 814)	–	–	(8 814)	84 330
Injury on duty	621 247	–	–	(44 096)	–	–	(44 096)	577 151
Post-Retirement medical scheme	2 298 059	–	–	106 494	–	–	106 494	2 404 553
Special pensions	494 340	–	–	(36 671)	–	–	(36 671)	457 669
Pension benefits: President of South Africa	9 507	–	–	(1 700)	–	–	(1 700)	7 807
South African citizen force	193 858	–	–	(13 715)	–	–	(13 715)	180 143
Other benefits: Ex-servicemen	24 800	–	–	(1 498)	–	–	(1 498)	23 302
Technical Support and Development Finance								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	885 040	–	–	–	(230 000)	–	(230 000)	655 040
Government Technical Advisory Centre	885 040	–	–	–	(230 000)	–	(230 000)	655 040
Financial Intelligence and State Security								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	4 341 245	–	–	90 649	–	–	90 649	4 431 894
Secret Services: Operations	4 341 245	–	–	90 649	–	–	90 649	4 431 894
Capital	394 203	–	–	(90 649)	–	–	(90 649)	303 554
Secret Services: Machinery and equipment	394 203	–	–	(90 649)	–	–	(90 649)	303 554

Vote 8

Planning, Monitoring and Evaluation

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	923 496	898 496	(25 204)	204
of which:				
Current payments	471 748	452 107	(19 641)	–
Transfers and subsidies	432 806	433 010	–	204
Payments for capital assets	18 942	13 379	(5 563)	–
Executive authority	Minister in the Presidency: Planning Monitoring and Evaluation			
Accounting officer	Director-General of Planning, Monitoring and Evaluation			
Website address	www.dpme.gov.za			

Vote purpose

Improve government service delivery through integrated planning, monitoring and evaluation.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of research projects commissioned or undertaken as requested by National Planning Commission per year	National Planning Coordination	Outcome 12: An efficient, effective and development-oriented public service	3	¹ –	–
Number of progress reports submitted to Cabinet per outcome per year	Sector Planning and Monitoring		3	2	–
Number of local government management improvement model scorecards completed per year	Public Sector Monitoring and Capacity Development		25	0	–
Number of consolidated management performance assessment tool reports submitted to Cabinet per year	Public Sector Monitoring and Capacity Development		1	0	–
Number of new service delivery facilities monitored resulting in a site monitoring report per year	Frontline and Citizen-Based Service Delivery Monitoring		63	² –	–
Number of revisited service delivery facilities for which improvement monitoring was conducted per year	Frontline and Citizen-Based Service Delivery Monitoring		100	² –	–
Number of evaluation reports approved by evaluation steering committees by the end of the financial year	Evidence and Knowledge Systems		8	2	–

1. Indicator removed from the department's 2017/18 annual performance plan.

2. Indicators no longer be measured due to realignment with the department's 2017/18 annual performance plan, which has combined them into one.

Mid-year progress

The department plans to enrol 25 municipalities for local government management improvement model scorecards in 2017/18. The process is under way and enrolment is set to begin in October, placing the department on track to meet its target.

The standards for the management performance assessment tool were revised in September, and as a result, the consolidated report has not yet been submitted to Cabinet. The assessment of national and provincial departments is set to take place in October, and the department expects to submit the report to Cabinet by the end of the financial year.

2 evaluation reports have been approved by steering committees thus far in 2017/18 as evaluations are still under way. The department expects to have approved 8 evaluation reports by the end of 2017/18.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration	168 305	–	–	6 241	(1 100)	–	5 141	173 446
National Planning Coordination	54 547	–	–	(3 484)	(6 360)	–	(9 844)	44 703
Sector Planning and Monitoring	52 153	–	–	943	(5 674)	–	(4 731)	47 422
Public Sector Monitoring and Capacity Development	40 111	–	–	(1 890)	(5 811)	–	(7 701)	32 410
Frontline and Citizen-Based Service Delivery and Monitoring	56 963	–	–	(1 790)	(1 775)	–	(3 565)	53 398
Evidence and Knowledge Systems	109 421	–	–	280	(2 748)	–	(2 468)	106 953
National Youth Development	441 996	–	–	(300)	(1 532)	–	(1 832)	440 164
Total	923 496	–	–	–	(25 000)	–	(25 000)	898 496
Economic classification								
Current payments	471 748	–	–	5 359	(25 000)	–	(19 641)	452 107
Compensation of employees	268 937	–	–	(200)	(25 000)	–	(25 200)	243 737
Goods and services	202 811	–	–	5 559	–	–	5 559	208 370
Transfers and subsidies	432 806	–	–	204	–	–	204	433 010
Provinces and municipalities	–	–	–	4	–	–	4	4
Departmental agencies and accounts	432 806	–	–	–	–	–	–	432 806
Households	–	–	–	200	–	–	200	200
Payments for capital assets	18 942	–	–	(5 563)	–	–	(5 563)	13 379
Buildings and other fixed structures	4 000	–	–	(3 400)	–	–	(3 400)	600
Machinery and equipment	13 292	–	–	(2 988)	–	–	(2 988)	10 304
Software and other intangible assets	1 650	–	–	825	–	–	825	2 475
Total	923 496	–	–	–	(25 000)	–	(25 000)	898 496

Programme 1: Administration

Subprogramme		2017/18						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Ministry	35 347	–	–	10 211	–	–	10 211	45 558
Departmental Management	5 627	–	–	4 711	–	–	4 711	10 338
Corporate Services and Financial Administration	127 331	–	–	(8 681)	(1 100)	–	(9 781)	117 550
Total	168 305	–	–	6 241	(1 100)	–	5 141	173 446
Economic classification								
Current payments	151 835	–	–	12 182	(1 100)	–	11 082	162 917
Compensation of employees	82 018	–	–	3 723	(1 100)	–	2 623	84 641
Goods and services	69 817	–	–	8 459	–	–	8 459	78 276
Transfers and subsidies	–	–	–	118	–	–	118	118
Provinces and municipalities	–	–	–	4	–	–	4	4
Households	–	–	–	114	–	–	114	114
Payments for capital assets	16 470	–	–	(6 059)	–	–	(6 059)	10 411
Buildings and other fixed structures	4 000	–	–	(3 400)	–	–	(3 400)	600
Machinery and equipment	12 470	–	–	(2 784)	–	–	(2 784)	9 686
Software and other intangible assets	–	–	–	125	–	–	125	125
Total	168 305	–	–	6 241	(1 100)	–	5 141	173 446

Programme 2: National Planning Coordination

Subprogramme		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Management: National Planning Coordination	2 941	–	–	15 680	–	–	15 680	18 621
Planning Coordination	38 058	–	–	(13 220)	(4 075)	–	(17 295)	20 763
Socioeconomic Impact Assessment System	13 548	–	–	(5 944)	(2 285)	–	(8 229)	5 319
Total	54 547	–	–	(3 484)	(6 360)	–	(9 844)	44 703

Programme 2: National Planning Coordination (continued)

Economic classification	2017/18						
	Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Current payments	53 597	–	–	(4 037)	(6 360)	–	(10 397)
Compensation of employees	35 046	–	–	(7)	(6 360)	–	(6 367)
Goods and services	18 551	–	–	(4 030)	–	–	(4 030)
Transfers and subsidies	–	–	–	7	–	–	7
Households	–	–	–	7	–	–	7
Payments for capital assets	950	–	–	546	–	–	546
Machinery and equipment	250	–	–	46	–	–	46
Software and other intangible assets	700	–	–	500	–	–	500
Total	54 547	–	–	(3 484)	(6 360)	–	(9 844)

Programme 3: Sector Planning and Monitoring

Subprogramme	2017/18						
	Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Management: Sector Planning and Monitoring	2 554	–	–	50	(404)	–	(354)
Sector Planning, Monitoring and Intervention Support	49 599	–	–	893	(5 270)	–	(4 377)
Total	52 153	–	–	943	(5 674)	–	(4 731)
Economic classification							
Current payments	52 053	–	–	993	(5 674)	–	(4 681)
Compensation of employees	47 196	–	–	(3 837)	(5 674)	–	(9 511)
Goods and services	4 857	–	–	4 830	–	–	4 830
Payments for capital assets	100	–	–	(50)	–	–	(50)
Machinery and equipment	100	–	–	(50)	–	–	(50)
Total	52 153	–	–	943	(5 674)	–	(4 731)

Programme 4: Public Sector Monitoring and Capacity Development

Subprogramme	2017/18						
	Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Management: Public Sector Monitoring and Capacity Development	1 187	–	–	(290)	(774)	–	(1 064)
Public Sector Capacity Development	15 164	–	–	(4 892)	(5 037)	–	(9 929)
Public Service and Local Government Monitoring and Support	23 760	–	–	3 292	–	–	3 292
Total	40 111	–	–	(1 890)	(5 811)	–	(7 701)
Economic classification							
Current payments	39 176	–	–	(2 216)	(5 811)	–	(8 027)
Compensation of employees	34 054	–	–	(16)	(5 811)	–	(5 827)
Goods and services	5 122	–	–	(2 200)	–	–	(2 200)
Transfers and subsidies	–	–	–	16	–	–	16
Households	–	–	–	16	–	–	16
Payments for capital assets	935	–	–	310	–	–	310
Machinery and equipment	185	–	–	(90)	–	–	(90)
Software and other intangible assets	750	–	–	400	–	–	400
Total	40 111	–	–	(1 890)	(5 811)	–	(7 701)

Programme 5: Frontline and Citizen-Based Service Delivery and Monitoring

Subprogramme	2017/18						
	Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Management: Frontline and Citizen-based Service Delivery Monitoring	2 554	–	–	248	–	–	248
Frontline and Citizen-based Service Delivery Monitoring and Complaints Resolution	54 409	–	–	(2 038)	(1 775)	–	(3 813)
Total	56 963	–	–	(1 790)	(1 775)	–	(3 565)

Programme 5: Frontline and Citizen-Based Service Delivery and Monitoring (continued)

Economic classification	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Current payments	56 853	–	–	(1 771)	(1 775)	–	53 307
Compensation of employees	36 662	–	–	(51)	(1 775)	–	34 836
Goods and services	20 191	–	–	(1 720)	–	–	18 471
Transfers and subsidies	–	–	–	51	–	–	51
Households	–	–	–	51	–	–	51
Payments for capital assets	110	–	–	(70)	–	–	40
Machinery and equipment	110	–	–	(70)	–	–	40
Total	56 963	–	–	(1 790)	(1 775)	–	53 398

Programme 6: Evidence and Knowledge Systems

Subprogramme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Management: Evidence and Knowledge Systems	1 147	–	–	(280)	–	–	867
Evaluation, Research, Knowledge and Data Systems	108 274	–	–	560	(2 748)	–	106 086
Total	109 421	–	–	280	(2 748)	–	106 953
Economic classification	109 084	–	–	508	(2 748)	–	106 844
Current payments	109 084	–	–	508	(2 748)	–	106 844
Compensation of employees	28 322	–	–	(12)	(2 748)	–	25 562
Goods and services	80 762	–	–	520	–	–	81 282
Transfers and subsidies	–	–	–	12	–	–	12
Households	–	–	–	12	–	–	12
Payments for capital assets	337	–	–	(240)	–	–	97
Machinery and equipment	137	–	–	(40)	–	–	97
Software and other intangible assets	200	–	–	(200)	–	–	–
Total	109 421	–	–	280	(2 748)	–	106 953

Programme 7: National Youth Development

Subprogramme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Management: National Youth Development	223	–	–	(223)	–	–	–
Youth Development Programmes	8 967	–	–	(77)	(1 532)	–	7 358
National Youth Development Agency	432 806	–	–	–	–	–	432 806
Total	441 996	–	–	(300)	(1 532)	–	440 164
Economic classification	9 150	–	–	(300)	(1 532)	–	7 318
Current payments	9 150	–	–	(300)	(1 532)	–	7 318
Compensation of employees	5 639	–	–	–	(1 532)	–	4 107
Goods and services	3 511	–	–	(300)	–	–	3 211
Transfers and subsidies	432 806	–	–	–	–	–	432 806
Departmental agencies and accounts	432 806	–	–	–	–	–	432 806
Payments for capital assets	40	–	–	–	–	–	40
Machinery and equipment	40	–	–	–	–	–	40
Total	441 996	–	–	(300)	(1 532)	–	440 164

Details of adjustments to Estimates of National Expenditure 2017

Virements and shifts within votes

Programmes					
1. Administration 2. National Planning Coordination 3. Sector Planning and Monitoring 4. Public Sector Monitoring and Capacity Development 5. Frontline and Citizen-Based Service Delivery and Monitoring 6. Evidence and Knowledge Systems 7. National Youth Development					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(9 584)	Programme 1		9 584
Machinery and equipment	Machinery and equipment for the new office building due to delays in procurement ¹	(6 055)	Goods and services	Marketing to promote the National Development Plan, and minor assets	6 055
	Vehicle licences ¹	(4)	Provinces and municipalities	Vehicle licences	4
	Machinery and equipment for the new office building due to delays in procurement	(125)	Software and other intangible assets	IT system upgrades	125
Buildings and other fixed structures	Building refurbishments due to delays in procurement	(3 400)	Machinery and equipment	ICT infrastructure	3 400
Shifts within the programme as a percentage of the programme budget		9.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(4 037)	Programme 2		7
Compensation of employees	Vacant posts ¹	(7)	Households	Leave gratuities	7
Goods and services	Business and advisory services, communications, and travel and subsistence	(2 404)	Programme 1		2 404
	Business and advisory services, communications, and travel and subsistence	(500)	Goods and services	Marketing to promote the National Development Plan	2 404
	Business and advisory services, communications, and travel and subsistence	(46)	Programme 2		546
	Realignment of budget with revised organisational structure	(1 080)	Software and other intangible assets	IT system upgrades	500
			Machinery and equipment	Finance leases for photocopying machines	46
			Programme 3		1 080
			Goods and services	Realignment of budget with revised organisational structure	1 080
Shifts within the programme as a percentage of the programme budget		29.7%			
Virements to other programmes as a percentage of the programme budget		6.4%			
Programme 3		(3 887)	Programme 3		50
Machinery and equipment	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(50)	Goods and services	Operating leases	50
Compensation of employees	Vacant posts ¹	(114)	Programme 1		3 837
	Realignment of budget with revised organisational structure	(3 723)	Households	Leave gratuities	114
			Compensation of employees	Realignment of budget with revised organisational structure	3 723
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		7.4%			
Programme 4		(2 306)	Programme 4		106
Machinery and equipment	Photocopying machines	(90)	Software and other intangible assets	IT system upgrades	90
Compensation of employees	Vacant posts ¹	(16)	Households	Leave gratuities	16
Goods and services	Business and advisory services, communications, travel and subsistence, and venues and facilities	(1 890)	Programme 3		1 890
	Travel and subsistence	(310)	Goods and services	National anti-corruption strategy, and service delivery support initiatives	1 890
			Programme 4		310
			Software and other intangible assets	Software upgrades	310
Shifts within the programme as a percentage of the programme budget		9.8%			
Virements to other programmes as a percentage of the programme budget		4.7%			

2017 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 5		(1 841)	Programme 3		70
Machinery and equipment	Photocopying machines ¹	(70)	Goods and services	Service delivery support initiatives	70
Compensation of employees	Vacant posts ¹	(51)	Programme 5		51
			Households	Leave gratuities	51
Goods and services	Realignment of budget with revised organisational structure	(1 720)	Programme 3		1 720
			Goods and services	Realignment of budget with revised organisational structure	1 720
Shifts within the programme as a percentage of the programme budget		0.5%			
Virements to other programmes as a percentage of the programme budget		3.1%			
Programme 6		(252)	Programme 6		252
Machinery and equipment	Photocopying machines ¹	(40)	Goods and services	Business and advisory services	40
Compensation of employees	Vacant posts ¹	(12)	Households	Leave gratuities	12
Software and other intangible assets	Software ¹	(200)	Goods and services	Knowledge management projects	200
Shifts within the programme as a percentage of the programme budget		0.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 7		(300)	Programme 3		20
Goods and services	Business and advisory services, communications, and travel and subsistence	(20)	Goods and services	Service delivery support initiatives	20
	Business and advisory services, communications, and travel and subsistence	(280)	Programme 6		280
			Goods and services	Research	280
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Total		(22 207)			22 207

1. National Treasury approval has been obtained.

Declared unspent funds – R25 million

R25 million in unspent funds has been declared on compensation of employees due to vacant posts that cannot be filled because of delays in implementing the department's revised organisational structure.

Programme 1: Administration

R1.1 million

Programme 2: National Planning Coordination

R6.360 million

Programme 3: Sector Planning and Monitoring

R5.674 million

Programme 4: Public Sector Monitoring and Capacity Development

R5.811 million

Programme 5: Frontline and Citizen-Based Service Delivery and Monitoring

R1.775 million

Programme 6: Evidence and Knowledge Systems

R2.748 million

Programme 7: National Youth Development

R1.532 million

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	136 499	59 177	43.4	134 299	98.4	173 446	19.3	67 437	38.9
National Planning	90 066	60 485	67.2	46 208	51.3	44 703	5.0	18 323	41.0
Coordination									
Sector Planning and Monitoring	43 078	20 333	47.2	38 570	89.5	47 422	5.3	19 705	41.6
Public Sector Monitoring and Capacity Development	29 642	13 564	45.8	28 209	95.2	32 410	3.6	15 106	46.6
Frontline and Citizen-Based Service Delivery and Monitoring	54 279	23 014	42.4	47 438	87.4	53 398	5.9	24 906	46.6
Evidence and Knowledge Systems	33 841	13 668	40.4	75 437	222.9	106 953	11.9	80 179	75.0
National Youth Development	410 257	243 709	59.4	411 085	100.2	440 164	49.0	221 782	50.4
Total	797 662	433 950	54.4	781 246	97.9	898 496	100.0	447 438	49.8
Economic classification									
Current payments	382 916	191 121	49.9	367 618	96.0	452 107	50.3	226 310	50.1
Compensation of employees	216 495	99 586	46.0	202 190	93.4	243 737	27.1	113 088	46.4
Goods and services	166 421	91 535	55.0	165 428	99.4	208 370	23.2	113 222	54.3
Transfers and subsidies	405 922	240 165	59.2	406 052	100.0	433 010	48.2	220 118	50.8
Provinces and municipalities	1	–	0.0	5	500.0	4	0.0	3	75.0
Departmental agencies and accounts	405 766	240 000	59.1	405 766	100.0	432 806	48.2	220 000	50.8
Non-profit institutions	100	100	100.0	100	100.0	–	0.0	–	0.0
Households	55	65	118.2	181	329.1	200	0.0	115	57.5
Payments for capital assets	8 824	2 663	30.2	7 571	85.8	13 379	1.5	1 010	7.5
Buildings and other fixed structures	117	–	0.0	129	110.3	600	0.1	–	0.0
Machinery and equipment	7 307	2 338	32.0	5 501	75.3	10 304	1.1	689	6.7
Software and other intangible assets	1 400	325	23.2	1 941	138.6	2 475	0.3	321	13.0
Payments for financial assets	–	1	–	5	–	–	–	–	–
Total	797 662	433 950	54.4	781 246	97.9	898 496	100.0	447 438	49.8

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R781.2 million, or 97.9 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R447.4 million, or 49.8 per cent of the adjusted appropriation of R898.5 million for the year. In comparison, mid-year expenditure in 2016/17 was R434 million, or 54.4 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R13.5 million, or 3.1 per cent. This is mainly due to increased expenditure on fieldwork for the national income dynamics study.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17 % of adjusted estimate	
Departmental receipts	602	426	70.8	1 215	201.8	244	1 530	100.0	1 006	65.8
Sales of goods and services produced by department	88	40	45.5	82	93.2	94	79	5.2	43	54.4
Interest, dividends and rent on land	40	17	42.5	23	57.5	40	21	1.4	14	66.7
Sales of capital assets	30	16	53.3	160	533.3	–	300	19.6	–	0.0
Transactions in financial assets and liabilities	444	353	79.5	950	214.0	110	1 130	73.9	949	84.0
Total	602	426	70.8	1 215	201.8	244	1 530	100.0	1 006	65.8

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R1 million, or 65.8 per cent of the adjusted revenue estimate of R1.5 million for the year. In comparison, mid-year revenue in 2016/17 was R426 000, or 70.8 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R580 000, or 136.2 per cent. This is mainly due to the reimbursement of outstanding credit notes from the department's former travel agent.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	-	-	-	4	-	-	4	4
Vehicle licences	-	-	-	4	-	-	4	4
Households								
Social benefits								
Current	-	-	-	114	-	-	114	114
Employee social benefits	-	-	-	114	-	-	114	114
National Planning Coordination								
Households								
Social benefits								
Current	-	-	-	7	-	-	7	7
Employee social benefits	-	-	-	7	-	-	7	7
Public Sector Monitoring and Capacity Development								
Households								
Social benefits								
Current	-	-	-	16	-	-	16	16
Employee social benefits	-	-	-	16	-	-	16	16
Frontline and Citizen-Based Service Delivery and Monitoring								
Households								
Social benefits								
Current	-	-	-	51	-	-	51	51
Employee social benefits	-	-	-	51	-	-	51	51
Evidence and Knowledge Systems								
Households								
Social benefits								
Current	-	-	-	12	-	-	12	12
Employee social benefits	-	-	-	12	-	-	12	12

Vote 9

Public Enterprises

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	266 696	266 696	(320)	320
of which:				
Current payments	263 822	263 502	(320)	–
Transfers and subsidies	10	330	–	320
Payments for capital assets	2 864	2 864	–	–
Executive authority	Minister of Public Enterprises			
Accounting officer	Director-General of Public Enterprises			
Website address	www.dpe.gov.za			

Vote purpose

Drive investment, productivity and transformation in the department's portfolio of state-owned companies to unlock growth, drive industrialisation, create jobs and develop skills.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of shareholder compacts signed per year	Portfolio Management and Strategic Partnerships	Outcome 6: An efficient, competitive and responsive economic infrastructure network	6	6	–
Number of corporate plans reviewed per year	Portfolio Management and Strategic Partnerships		6	6	–
Number of quarterly financial reviews per year	Portfolio Management and Strategic Partnerships		24	12	–

Mid-year progress

In the first half of the financial year, the department met its targets of signing 6 shareholder compacts and reviewing 6 corporate plans. These have to be done in the first half of the year. In the second half of 2017/18, the department will focus on monitoring the implementation of these plans.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Administration	155 468	–	–	3 000	–	–	158 468
Legal and Governance	25 243	–	–	(1 000)	–	–	24 243
Portfolio Management and Strategic Partnerships	85 985	–	–	(2 000)	–	–	83 985
Total	266 696	–	–	–	–	–	266 696
Economic classification							
Current payments	263 822	–	–	(320)	–	–	263 502
Compensation of employees	166 906	–	–	(10 000)	–	–	156 906
Goods and services	96 916	–	–	9 680	–	–	106 596
Transfers and subsidies	10	–	–	320	–	–	330
Provinces and municipalities	10	–	–	–	–	–	10
Households	–	–	–	320	–	–	320
Payments for capital assets	2 864	–	–	–	–	–	2 864
Machinery and equipment	2 758	–	–	–	–	–	2 758
Software and other intangible assets	106	–	–	–	–	–	106
Total	266 696	–	–	–	–	–	266 696

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Ministry	28 605	–	–	(2 000)	–	–	(2 000)	26 605
Management	9 827	–	–	20 300	–	–	20 300	30 127
Corporate Services	36 769	–	–	(6 300)	–	–	(6 300)	30 469
Chief Financial Officer	16 398	–	–	(1 000)	–	–	(1 000)	15 398
Human Resources	20 999	–	–	(4 500)	–	–	(4 500)	16 499
Communications	15 047	–	–	–	–	–	–	15 047
Strategic Planning, Monitoring and Evaluation	7 096	–	–	(2 300)	–	–	(2 300)	4 796
Intergovernmental Relations	4 607	–	–	800	–	–	800	5 407
Internal Audit	6 701	–	–	(2 000)	–	–	(2 000)	4 701
Office Accommodation	9 419	–	–	–	–	–	–	9 419
Total	155 468	–	–	3 000	–	–	3 000	158 468
Economic classification								
Current payments	152 594	–	–	2 680	–	–	2 680	155 274
Compensation of employees	87 553	–	–	(7 000)	–	–	(7 000)	80 553
Goods and services	65 041	–	–	9 680	–	–	9 680	74 721
Transfers and subsidies	10	–	–	320	–	–	320	330
Provinces and municipalities	10	–	–	–	–	–	–	10
Households	–	–	–	320	–	–	320	320
Payments for capital assets	2 864	–	–	–	–	–	–	2 864
Machinery and equipment	2 758	–	–	–	–	–	–	2 758
Software and other intangible assets	106	–	–	–	–	–	–	106
Total	155 468	–	–	3 000	–	–	3 000	158 468

Programme 2: Legal and Governance

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Management	3 043	–	–	–	–	–	–	3 043
Legal	13 385	–	–	(1 000)	–	–	(1 000)	12 385
Governance	8 815	–	–	–	–	–	–	8 815
Total	25 243	–	–	(1 000)	–	–	(1 000)	24 243
Economic classification								
Current payments	25 243	–	–	(1 000)	–	–	(1 000)	24 243
Compensation of employees	19 953	–	–	(1 000)	–	–	(1 000)	18 953
Goods and services	5 290	–	–	–	–	–	–	5 290
Total	25 243	–	–	(1 000)	–	–	(1 000)	24 243

Programme 3: Portfolio Management and Strategic Partnerships

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Energy Enterprises	17 569	–	–	(1 000)	–	–	(1 000)	16 569
Manufacturing Enterprises	19 886	–	–	(1 400)	–	–	(1 400)	18 486
Transport Enterprises	19 624	–	–	(1 000)	–	–	(1 000)	18 624
Economic Impact and Policy Alignment	16 782	–	–	2 400	–	–	2 400	19 182
Strategic Partnerships	12 124	–	–	(1 000)	–	–	(1 000)	11 124
Total	85 985	–	–	(2 000)	–	–	(2 000)	83 985
Economic classification								
Current payments	85 985	–	–	(2 000)	–	–	(2 000)	83 985
Compensation of employees	59 400	–	–	(2 000)	–	–	(2 000)	57 400
Goods and services	26 585	–	–	–	–	–	–	26 585
Total	85 985	–	–	(2 000)	–	–	(2 000)	83 985

Virements and shifts within votes

Programmes					
1. Administration					
2. Legal and Governance					
3. Portfolio Management and Strategic Partnerships					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(7 320)	Programme 1		7 320
Compensation of employees	Vacant posts ¹	(7 000)	Goods and services	Relocation costs	7 000
Goods and services	Computers, and cost containment measures effected on travel and subsistence	(320)	Households	Employee social benefits	320
Shifts within the programme as a percentage of the programme budget		12.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(1 000)	Programme 1		1 000
Compensation of employees	Vacant posts ¹	(1 000)	Goods and services	Relocation costs	1 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		4.0%			
Programme 3		(2 000)	Programme 1		2 000
Compensation of employees	Vacant posts ¹	(2 000)	Goods and services	Relocation costs	2 000
Shifts within the programme as a percentage of the programme budget		2.8%			
Virements to other programmes as a percentage of the programme budget		2.3%			
Total		(10 320)			10 320

1. Only the legislature may approve this virement.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 16 - Sep 16	% of adjusted appropriation	Apr 16 - Mar 17	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	% of adjusted appropriation	
Administration	155 792	72 535	46.6	153 788	98.7	158 468	59.4	74 119	46.8	
Legal and Governance	25 906	9 888	38.2	23 303	90.0	24 243	9.1	9 207	38.0	
Portfolio Management and Strategic Partnerships	86 278	35 403	41.0	76 688	88.9	83 985	31.5	31 480	37.5	
Total	267 976	117 826	44.0	253 779	94.7	266 696	100.0	114 806	43.0	
Economic classification										
Current payments	263 935	115 143	43.6	249 480	94.5	263 502	98.8	114 058	43.3	
Compensation of employees	153 926	74 211	48.2	148 321	96.4	156 906	58.8	69 705	44.4	
Goods and services	110 009	40 932	37.2	101 159	92.0	106 596	40.0	44 353	41.6	
Transfers and subsidies	323	318	98.5	434	134.4	330	0.1	419	127.0	
Provinces and municipalities	–	–	–	–	–	10	0.0	3	30.0	
Households	323	318	98.5	434	134.4	320	0.1	416	130.0	
Payments for capital assets	3 718	2 365	63.6	3 865	104.0	2 864	1.1	329	11.5	
Machinery and equipment	3 718	2 365	63.6	3 865	104.0	2 758	1.0	329	11.9	
Software and other intangible assets	–	–	–	–	–	106	0.0	–	0.0	
Total	267 976	117 826	44.0	253 779	94.7	266 696	100.0	114 806	43.0	

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R253.8 million, or 94.7 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R114.8 million, or 43 per cent of the adjusted appropriation of R266.7 million for the year. In comparison, mid-year expenditure in 2016/17 was R117.8 million, or 44 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R3 million, or 2.6 per cent. This is mainly due to a hold on the filling of vacant posts, and delays in the commencement of projects including the development of a shareholder risk management framework and proposals on the diversification of the energy market.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	1 083	40	3.7	5 213	481.3	105	1 161	100.0	101	8.7
Sales of goods and services produced by department	288	37	12.8	75	26.0	85	366	31.5	32	8.7
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	6	–	–	–	–
Transfers received	244	–	–	–	–	–	244	21.0	–	–
Interest, dividends and rent on land	11	1	9.1	1	9.1	5	11	0.9	–	–
Sales of capital assets	300	–	–	–	–	–	300	25.8	58	19.3
Transactions in financial assets and liabilities	240	2	0.8	5 137	2 140.4	9	240	20.7	11	4.6
Total	1 083	40	3.7	5 213	481.3	105	1 161	100.0	101	8.7

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R101 000, or 8.7 per cent of the adjusted revenue estimate of R1.2 million for the year. In comparison, mid-year revenue in 2016/17 was R40 000, or 3.7 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R61 000, or 152.5 per cent. This is mainly due to the sale of capital assets, such as vehicles.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration								
Households								
Social benefits								
Current	–	–	–	320	–	–	320	320
Employee social benefits	–	–	–	320	–	–	320	320

Vote 10

Public Service and Administration

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	897 144	877 144	(22 891)	2 891
of which:				
Current payments	451 599	438 357	(13 242)	–
Transfers and subsidies	442 525	432 876	(9 649)	–
Payments for capital assets	3 020	5 868	–	2 848
Payments for financial assets	–	43	–	43
Executive authority	Minister for Public Service and Administration			
Accounting officer	Director-General of Public Service and Administration			
Website address	www.dpsa.gov.za			

Vote purpose

Lead the modernisation of the public service, through a generally applicable framework of norms and standards, to improve service delivery.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of selected departments in which the implementation of the productivity management framework is monitored per year	Policy Development, Research and Analysis	Outcome 12: An efficient, effective and development-oriented public service	2	2	–
Number of reports on the monitoring of vacancy rate trends and turnaround times for filling vacant positions in the public service submitted to the Minister of Public Service and Administration per year	Labour Relations and Human Resource Management		2	1	–
Number of human resources development forum meetings held per year by the department to provide support to national and provincial departments with the appointment of youth into learnership, internship and artisan programmes in the public service	Labour Relations and Human Resource Management		10	6	–
Number of departments supported with the implementation of the e-enablement security guidelines per year	Government Chief Information Officer		2	166	–
Number of service delivery improvement plans received per year from provincial and national departments with quality assessments rated as meeting minimum standards	Service Delivery Support		78	0	–
Number of national workshops per year to support departments in preparing for the implementation of the directive on compulsory capacity development, mandatory training days and minimum entry requirements for senior management members in the public service	Governance of Public Administration		4	8	–

Mid-year progress

The department planned to select and monitor 2 departments on the implementation of the productivity management framework. This was planned for the first half of the year and has already been achieved.

The target for the number of departments supported with the implementation of the e-enablement security guidelines was incorrectly recorded as 2 in the 2017 ENE. The target should have been recorded as 166, which was achieved in the first six months of the year as the department had underestimated its capacity to meet the target. The department will use the resources allocated to the achievement of this target to continue with other priorities for the remainder of the year.

The department received 3 service delivery improvement plans from provincial and national departments in the first six months of the year. The rest of the departments are expected to submit their plans in the third quarter, during which time evaluation will take place.

The target for the number of national workshops to support departments in preparing for the implementation of compulsory capacity development, mandatory training days and minimum entry requirements for senior management members in the public service was achieved in 2016/17. The department provides one-on-one support to departments as and when required, and has supported 8 departments in the first six months of the year.

The department is on track to meet all its targets by end of 2017/18.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration	230 662	–	–	11 526	(5 500)	–	6 026	236 688
Policy Development, Research and Analysis	34 446	–	–	(2 050)	–	–	(2 050)	32 396
Labour Relations and Human Resource Management	70 093	–	–	(3 120)	–	–	(3 120)	66 973
Government Chief Information Officer	21 513	–	–	(2 368)	(2 000)	–	(4 368)	17 145
Service Delivery Support	247 927	–	–	(2 580)	(9 600)	–	(12 180)	235 747
Governance of Public Administration	292 503	–	–	(1 408)	(2 900)	–	(4 308)	288 195
Total	897 144	–	–	–	(20 000)	–	(20 000)	877 144
Economic classification								
Current payments	451 599	–	–	(2 742)	(10 500)	–	(13 242)	438 357
Compensation of employees	275 711	–	–	–	(10 500)	–	(10 500)	265 211
Goods and services	175 888	–	–	(2 742)	–	–	(2 742)	173 146
Transfers and subsidies	442 525	–	–	(149)	(9 500)	–	(9 649)	432 876
Provinces and municipalities	6	–	–	3	–	–	3	9
Departmental agencies and accounts	440 377	–	–	(152)	(9 500)	–	(9 652)	430 725
Foreign governments and international organisations	2 142	–	–	–	–	–	–	2 142
Payments for capital assets	3 020	–	–	2 848	–	–	2 848	5 868
Machinery and equipment	3 020	–	–	2 642	–	–	2 642	5 662
Software and other intangible assets	–	–	–	206	–	–	206	206
Payments for financial assets	–	–	–	43	–	–	43	43
Total	897 144	–	–	–	(20 000)	–	(20 000)	877 144

Programme 1: Administration

Programme Administration		2017/18						
Subprogramme		Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Ministry	42 576	–	–	1 540	(500)	–	1 040	43 616
Departmental Management	3 329	–	–	–	(500)	–	(500)	2 829
Corporate Services	80 862	–	–	8 885	(1 500)	–	7 385	88 247
Finance Administration	26 707	–	–	500	(1 000)	–	(500)	26 207
Internal Audit	6 088	–	–	657	(500)	–	157	6 245
Legal Services	6 371	–	–	370	(500)	–	(130)	6 241
International Relations	10 702	–	–	(426)	(1 000)	–	(1 426)	9 276
Office Accommodation	54 027	–	–	–	–	–	–	54 027
Total	230 662	–	–	11 526	(5 500)	–	6 026	236 688
Economic classification								
Current payments	228 499	–	–	9 908	(5 500)	–	4 408	232 907
Compensation of employees	117 160	–	–	–	(5 500)	–	(5 500)	111 660
Goods and services	111 339	–	–	9 908	–	–	9 908	121 247
Transfers and subsidies	520	–	–	(149)	–	–	(149)	371
Provinces and municipalities	6	–	–	3	–	–	3	9
Departmental agencies and accounts	152	–	–	(152)	–	–	(152)	–
Foreign governments and international organisations	362	–	–	–	–	–	–	362
Payments for capital assets	1 643	–	–	1 735	–	–	1 735	3 378
Machinery and equipment	1 643	–	–	1 549	–	–	1 549	3 192
Software and other intangible assets	–	–	–	186	–	–	186	186
Payments for financial assets	–	–	–	32	–	–	32	32
Total	230 662	–	–	11 526	(5 500)	–	6 026	236 688

Programme 2: Policy Development, Research and Analysis

Programme of Policy Development, Research and Analysis								
Subprogramme		2017/18						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management: Policy Development, Research and Analysis	3 344	—	—	—	—	—	—	3 344
Policy Oversight, Development and Knowledge Management	5 884	—	—	(300)	—	—	(300)	5 584
Macro Policy Modelling and Costing	2 711	—	—	(200)	—	—	(200)	2 511
Integrated Public Sector Reform	2 530	—	—	(650)	—	—	(650)	1 880
Transformation Policies and Programmes	4 887	—	—	(510)	—	—	(510)	4 377
Research and Analysis	4 182	—	—	(539)	—	—	(539)	3 643
Productivity and Efficiency Studies	6 233	—	—	449	—	—	449	6 682
Public Service Access Norms and Mechanisms	4 675	—	—	(300)	—	—	(300)	4 375
Total	34 446	—	—	(2 050)	—	—	(2 050)	32 396
Economic classification								
Current payments	34 211	—	—	(2 079)	—	—	(2 079)	32 132
Compensation of employees	26 965	—	—	—	—	—	—	26 965
Goods and services	7 246	—	—	(2 079)	—	—	(2 079)	5 167
Payments for capital assets	235	—	—	29	—	—	29	264
Machinery and equipment	235	—	—	29	—	—	29	264
Total	34 446	—	—	(2 050)	—	—	(2 050)	32 396

Programme 3: Labour Relations and Human Resource Management

Programme of Labour Relations and Human Resource Management								
Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Management: Labour Relations and Human Resource Management	3 782	–	–	(470)	–	–	(470)	3 312
Labour Relations, Negotiations and Discipline Management	7 810	–	–	(1 400)	–	–	(1 400)	6 410
Workplace Environment Management	4 722	–	–	(300)	–	–	(300)	4 422
Human Resource Development	5 135	–	–	(200)	–	–	(200)	4 935
Remuneration and Job Grading	20 193	–	–	30	–	–	30	20 223
Employee Benefits	15 479	–	–	70	–	–	70	15 549
Human Resource Planning, Employment Practices and Performance Management	12 972	–	–	(850)	–	–	(850)	12 122
Total	70 093	–	–	(3 120)	–	–	(3 120)	66 973
Economic classification								
Current payments	69 643	–	–	(3 902)	–	–	(3 902)	65 741
Compensation of employees	49 761	–	–	–	–	–	–	49 761
Goods and services	19 882	–	–	(3 902)	–	–	(3 902)	15 980
Payments for capital assets	450	–	–	782	–	–	782	1 232
Machinery and equipment	450	–	–	782	–	–	782	1 232
Total	70 093	–	–	(3 120)	–	–	(3 120)	66 973

Programme 4: Government Chief Information Officer

Programme 11 Government over information services								
Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Management: Government Chief Information Officer	2 989	–	–	(200)	(500)	–	(700)	2 289
Public Service ICT E-enablement	6 068	–	–	(1 200)	(200)	–	(1 400)	4 668
Public Service ICT Stakeholder Management	6 714	–	–	(200)	(200)	–	(400)	6 314
Public Service ICT Risk Management	4 401	–	–	(768)	(800)	–	(1 568)	2 833
Public Service ICT Service Management	1 341	–	–	–	(300)	–	(300)	1 041
Total	21 513	–	–	(2 368)	(2 000)	–	(4 368)	17 145
Economic classification								
Current payments	21 367	–	–	(2 606)	(2 000)	–	(4 606)	16 761
Compensation of employees	16 025	–	–	–	(2 000)	–	(2 000)	14 025
Goods and services	5 342	–	–	(2 606)	–	–	(2 606)	2 736
Payments for capital assets	146	–	–	234	–	–	234	380
Machinery and equipment	146	–	–	214	–	–	214	360
Software and other intangible assets	–	–	–	20	–	–	20	20
Payments for financial assets	–	–	–	4	–	–	4	4
Total	21 513	–	–	(2 368)	(2 000)	–	(4 368)	17 145

Programme 5: Service Delivery Support

Subprogramme	Main appropriation	2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management: Service Delivery Support	3 572	–	–	–	–	–	–	3 572
Service Delivery Planning and Operations Management	3 447	–	–	–	(500)	–	(500)	2 947
Service Delivery Improvement Initiatives	15 383	–	–	(2 393)	(300)	–	(2 693)	12 690
Community Development and Citizen Relations	7 983	–	–	(594)	(1 000)	–	(1 594)	6 389
Public Participation and Social Dialogue	14 111	–	–	407	(700)	–	(293)	13 818
Batho Pele Support Initiatives	8 870	–	–	–	(500)	–	(500)	8 370
Centre for Public Service Innovation	34 055	–	–	–	–	–	–	34 055
National School of Government	160 506	–	–	–	(6 600)	–	(6 600)	153 906
Total	247 927	–	–	(2 580)	(9 600)	–	(12 180)	235 747
Economic classification								
Current payments	51 584	–	–	(2 648)	(3 000)	–	(5 648)	45 936
Compensation of employees	31 589	–	–	–	(3 000)	–	(3 000)	28 589
Goods and services	19 995	–	–	(2 648)	–	–	(2 648)	17 347
Transfers and subsidies	196 065	–	–	–	(6 600)	–	(6 600)	189 465
Departmental agencies and accounts	194 561	–	–	–	(6 600)	–	(6 600)	187 961
Foreign governments and international organisations	1 504	–	–	–	–	–	–	1 504
Payments for capital assets	278	–	–	68	–	–	68	346
Machinery and equipment	278	–	–	68	–	–	68	346
Total	247 927	–	–	(2 580)	(9 600)	–	(12 180)	235 747

Programme 6: Governance of Public Administration

Subprogramme	Main appropriation	2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management: Governance of Public Administration	3 896	–	–	(200)	–	–	(200)	3 696
Ethics and Integrity Management	13 496	–	–	(350)	–	–	(350)	13 146
Organisational Design and Macro Organisation of the Public Service	7 091	–	–	–	–	–	–	7 091
Office of Standards, Compliance and Monitoring	5 586	–	–	(200)	–	–	(200)	5 386
Intergovernmental Relations and Government Interventions	4 526	–	–	200	–	–	200	4 726
Leadership Management	6 589	–	–	(458)	–	–	(458)	6 131
Human Resource Management	5 655	–	–	(400)	–	–	(400)	5 255
Information Systems								
Public Service Commission	245 664	–	–	–	(2 900)	–	(2 900)	242 764
Total	292 503	–	–	(1 408)	(2 900)	–	(4 308)	288 195
Economic classification								
Current payments	46 295	–	–	(1 415)	–	–	(1 415)	44 880
Compensation of employees	34 211	–	–	–	–	–	–	34 211
Goods and services	12 084	–	–	(1 415)	–	–	(1 415)	10 669
Transfers and subsidies	245 940	–	–	–	(2 900)	–	(2 900)	243 040
Departmental agencies and accounts	245 664	–	–	–	(2 900)	–	(2 900)	242 764
Foreign governments and international organisations	276	–	–	–	–	–	–	276
Payments for capital assets	268	–	–	–	–	–	–	268
Machinery and equipment	268	–	–	–	–	–	–	268
Payments for financial assets	–	–	–	7	–	–	7	7
Total	292 503	–	–	(1 408)	(2 900)	–	(4 308)	288 195

Details of adjustments to the Estimates of National Expenditure 2017

Virements and shifts within votes

Programmes

1. Administration
2. Policy Development, Research and Analysis
3. Labour Relations and Human Resource Management
4. Government Chief Information Officer
5. Service Delivery Support
6. Governance of Public Administration

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(1 166)	Programme 1		1 166
Goods and services	Advertising, equipment less than R5 000, and travel and subsistence	(793)	Machinery and equipment	Office equipment	793
	Cost containment measures effected on travel and subsistence	(186)	Software and other intangible assets	Software	186
	Cost containment measures effected on travel and subsistence	(32)	Payments for financial assets	Financial assets for debt written off	32
	Cost containment measures effected on travel and subsistence	(3)	Provinces and municipalities	Car licences	3
Departmental agencies and accounts	Audiovisual services ¹	(6)	Machinery and equipment	Office equipment	6
	Audiovisual services	(146)	Goods and services	Travel and subsistence	146
Shifts within the programme as a percentage of the programme budget		0.6%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(2 079)	Programme 1		1 658
Goods and services	Cost containment measures effected on catering, consultants, operating payments, travel and subsistence, and venues and facilities	(750)	Machinery and equipment	Vehicles	750
	Cost containment measures effected on catering, consultants, travel and subsistence, and venues and facilities	(908)	Goods and services	Audit costs and legal services	908
	Cost containment measures effected on travel and subsistence, and venues and facilities	(29)	Programme 2		29
	Cost containment measures effected on travel and subsistence, and venues and facilities	(392)	Machinery and equipment	Audiovisual equipment	29
			Programme 5		392
			Goods and services	Travel and subsistence for ministerial public participation programmes	392
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		6.0%			
Programme 3		(4 202)	Programme 1		3 420
Goods and services	Cost containment measures effected on consultants, travel and subsistence, and venues and facilities	(3 420)	Goods and services	Communications, computer services, minor assets and property payments	3 420
	Printing and stationery	(782)	Programme 3		782
			Machinery and equipment	Furniture for the Presidential Remuneration Review Commission	782
Shifts within the programme as a percentage of the programme budget		2.5%			
Virements to other programmes as a percentage of the programme budget		4.9%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 4		(2 606)	Programme 1		2 053
Goods and services	Cost containment measures effected on computer services, minor assets, travel and subsistence, and venues and facilities	(2 053)	Goods and services	Communications, computer services, minor assets and property payments	2 053
	Computer services and minor assets	(300)	Programme 3		300
	Venues and facilities	(214)	Goods and services	Travel and subsistence	300
	Cost containment measures effected on travel and subsistence	(20)	Programme 4		238
	Venues and facilities	(4)	Machinery and equipment	Audiovisual equipment	214
	Cost containment measures effected on consultants, and travel and subsistence	(15)	Software and other intangible assets	Software	20
			Payments for financial assets	Financial assets for debt written off	4
			Programme 5		15
			Goods and services	Communications services	15
Shifts within the programme as a percentage of the programme budget		1.1%			
Virements to other programmes as a percentage of the programme budget		11.0% ²			
Programme 5		(3 055)	Programme 1		2 987
Goods and services	Cost containment measures effected on operating leases, and venues and facilities	(2 987)	Goods and services	Computer services	2 987
	Cost containment measures effected on operating leases, and travel and subsistence	(68)	Programme 5		68
			Machinery and equipment	Audiovisual equipment	68
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.2%			
Programme 6		(1 415)	Programme 1		1 408
Goods and services	Cost containment measures effected on travel and subsistence, and venues and facilities	(1 408)	Goods and services	Internal audit co-sourcing services, operational costs, and travel and subsistence	1 408
	Cost containment measures effected on travel and subsistence	(7)	Programme 6		7
			Payments for financial assets	Financial assets for debt written off	7
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.5%			
Total		(14 523)			14 523

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Declared unspent funds – R20 million

R20 million in unspent funds has been declared on compensation of employees due to vacant posts as well as on transfers to the National School of Government and the Public Service Commission.

Programme 1: Administration

R5.5 million

Programme 4: Government Chief Information Officer

R2 million

Programme 5: Service Delivery Support

R3 million

R6.6 million on transfers to the National School of Government due to vacant posts and the related goods and services.

Programme 6: Governance of Public Administration

R2.9 million on transfers to the Public Service Commission due to vacant posts.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	222 984	123 401	55.3	225 267	101.0	236 688	27.0	89 689	37.9
Policy Development, Research and Analysis	28 303	14 779	52.2	29 145	103.0	32 396	3.7	13 235	40.9
Labour Relations and Human Resource Management	77 464	31 607	40.8	66 091	85.3	66 973	7.6	30 607	45.7
Government Chief Information Officer	18 865	7 838	41.5	15 908	84.3	17 145	2.0	7 375	43.0
Service Delivery Support	156 523	72 884	46.6	154 999	99.0	235 747	26.9	112 732	47.8
Governance of Public Administration	275 707	144 823	52.5	271 861	98.6	288 195	32.9	147 674	51.2
Total	779 846	395 332	50.7	763 271	97.9	877 144	100.0	401 312	45.8
Economic classification									
Current payments	434 090	220 827	50.9	413 155	95.2	438 357	50.0	176 069	40.2
Compensation of employees	270 469	126 772	46.9	254 534	94.1	265 211	30.2	128 486	48.4
Goods and services	163 621	94 055	57.5	158 621	96.9	173 146	19.7	47 583	27.5
Transfers and subsidies	335 464	166 839	49.7	336 473	100.3	432 876	49.4	222 150	51.3
Provinces and municipalities	6	–	0.0	5	83.3	9	0.0	4	44.4
Departmental agencies and accounts	332 418	165 515	49.8	332 394	100.0	430 725	49.1	217 839	50.6
Higher education institutions	2 195	348	15.9	2 693	122.7	–	0.0	1 850	0.0
Foreign governments and international organisations	–	–	0.0	–	0.0	2 142	0.2	–	0.0
Households	845	976	115.5	1 381	163.4	–	0.0	2 457	0.0
Payments for capital assets	10 288	7 662	74.5	13 265	128.9	5 868	0.7	3 033	51.7
Machinery and equipment	10 288	7 662	74.5	13 265	128.9	5 662	0.6	2 847	50.3
Software and other intangible assets	–	–	0.0	–	0.0	206	0.0	186	90.3
Payments for financial assets	4	4	100	378	9 450	43	0.0	60	139.5
Total	779 846	395 332	50.7	763 271	97.9	877 144	100.0	401 312	45.8

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R763.3 million, or 97.9 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R401.3 million, or 45.8 per cent of the adjusted appropriation of R877.1 million for the year. In comparison, mid-year expenditure in 2016/17 was R395.3 million, or 50.7 per cent of the adjusted appropriation for 2016/17. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R6 million, or 1.5 per cent. Despite this increase, the department has underspent on its allocation mainly due to a dispute with the Department of Public Works over rental costs and the provision of maintenance services included in the rental of office accommodation at Batho Pele House. The dispute is being addressed and the payments, which are projected at a cost of R13 million per quarter, will be withheld until an agreement has been reached. Further underspending is due to the late submission of invoices from the Human Sciences Research Council for staff seconded to the Presidential Remuneration Review Commission.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	653	139	21.3	757	115.9	687	740	100.0	311	42.0
Sales of goods and services produced by department	411	104	25.3	193	47.0	433	432	58.4	87	20.1
Interest, dividends and rent on land	2	1	50.0	3	150.0	4	8	1.1	5	62.5
Transactions in financial assets and liabilities	240	34	14.2	561	233.8	250	300	40.5	219	73.0
Total	653	139	21.3	757	115.9	687	740	100.0	311	42.0

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R311 000, or 42 per cent of the adjusted revenue estimate of R740 000 for the year. This is slightly lower than anticipated because the auction of two vehicles has not yet been finalised, but is expected to be completed by the end of 2017/18. In comparison, mid-year revenue in 2016/17 was R139 000, or 21.3 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R172 000, or 123.7 per cent. This is mainly due to the recovery of funds paid in the previous period for salary overpayments and bursaries.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Administration							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	6	–	–	3	–	–	9
Vehicle licences	6	–	–	3	–	–	9
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	152	–	–	(152)	–	–	–
Communication	152	–	–	(152)	–	–	–
Service Delivery Support							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	160 506	–	–	–	(6 600)	–	153 906
National School of Government	160 506	–	–	–	(6 600)	–	153 906
Governance of Public Administration							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	245 664	–	–	–	(2 900)	–	242 764
Public Service Commission	245 664	–	–	–	(2 900)	–	242 764

Vote 11

Public Works

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	7 038 130	6 985 130	(85 755)	32 755
of which:				
Current payments	960 366	878 611	(81 755)	–
Transfers and subsidies	6 055 742	6 088 497	–	32 755
Payments for capital assets	22 022	18 022	(4 000)	–
Executive authority	Minister of Public Works			
Accounting officer	Director-General of Public Works			
Website address	www.publicworks.gov.za			

Vote purpose

Provide policy formulation for, as well as coordination, regulation and oversight of, the public works sector in relation to the accommodation, housing, land and infrastructure needs of national departments. Enhance intergovernmental relations by coordinating concurrent public works functions. 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	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of cooperation and protocol agreements for joint service delivery signed with provinces and municipalities per year	Intergovernmental Coordination	Outcome 12: An efficient, effective and development-oriented public service	20	9	–
Number of policy frameworks developed for the public works sector per year			2	0	–
Number of work opportunities reported on the expanded public works programme reporting system per year	Expanded Public Works Programme	Outcome 4: Decent employment through inclusive growth	1 406 736	520 000	–
Number of municipalities reporting on expanded public works programme targets provided with technical support per year	Expanded Public Works Programme	Outcome 12: An efficient, effective and development-oriented public service	290	256	–
Number of prestige policies approved	Prestige Policy		4	0	–

Mid-year progress

The department plans to develop two policy frameworks for the public works sector in 2017/18. Both of these are set to be completed in the second half of the year.

520 000 work opportunities have been created thus far in 2017/18 against the target of 1 406 736. The lag in performance is attributed to delays in reporting by public bodies. The department has identified public bodies that are underperforming, and intends to fast-track reporting by providing ongoing support through data capturing, training and capacity building.

256 municipalities have been provided with technical support against a target of 290 for 2017/18. The department attributes this achievement to improved compliance.

The department aimed to approve four prestige policies in 2017/18, but none have yet been approved. To address this lag and meet its target by the end of the year, the department intends to enhance its research capability.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Administration	493 810	–	–	(22 535)	(28 000)	–	(50 535)	443 275
Intergovernmental Coordination	60 230	–	–	(2 000)	(10 000)	–	(12 000)	48 230
Expanded Public Works Programme	2 414 583	–	–	(7 000)	–	–	(7 000)	2 407 583
Property and Construction Industry	3 969 871	–	–	31 535	–	–	31 535	4 001 406
Policy and Research								
Prestige Policy	99 636	–	–	–	(15 000)	–	(15 000)	84 636
Total	7 038 130	–	–	–	(53 000)	–	(53 000)	6 985 130
Economic classification								
Current payments	960 366	–	–	(33 755)	(48 000)	–	(81 755)	878 611
Compensation of employees	486 413	–	–	–	(28 000)	–	(28 000)	458 413
Goods and services	473 953	–	–	(35 561)	(20 000)	–	(55 561)	418 392
Interest and rent on land	–	–	–	1 806	–	–	1 806	1 806
Transfers and subsidies	6 055 742	–	–	32 755	–	–	32 755	6 088 497
Provinces and municipalities	1 472 615	–	–	–	–	–	–	1 472 615
Departmental agencies and accounts	3 922 086	–	–	(76 668)	–	–	(76 668)	3 845 418
Foreign governments and international organisations	26 031	–	–	(3 689)	–	–	(3 689)	22 342
Public corporations and private enterprises	–	–	–	111 066	–	–	111 066	111 066
Non-profit institutions	624 024	–	–	–	–	–	–	624 024
Households	10 986	–	–	2 046	–	–	2 046	13 032
Payments for capital assets	22 022	–	–	1 000	(5 000)	–	(4 000)	18 022
Machinery and equipment	22 022	–	–	1 000	(5 000)	–	(4 000)	18 022
Total	7 038 130	–	–	–	(53 000)	–	(53 000)	6 985 130

Programme 1: Administration

Subprogramme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Ministry	37 181	–	–	2 500	–	–	2 500	39 681
Management	102 551	–	–	(6 751)	–	–	(6 751)	95 800
Corporate Services	238 348	–	–	1 066	(23 000)	–	(21 934)	216 414
Finance and Supply Chain	62 582	–	–	(13 350)	–	–	(13 350)	49 232
Management								
Office Accommodation	53 148	–	–	(6 000)	(5 000)	–	(11 000)	42 148
Total	493 810	–	–	(22 535)	(28 000)	–	(50 535)	443 275
Economic classification								
Current payments	480 161	–	–	(24 755)	(28 000)	–	(52 755)	427 406
Compensation of employees	250 032	–	–	–	(18 000)	–	(18 000)	232 032
Goods and services	230 129	–	–	(26 561)	(10 000)	–	(36 561)	193 568
Interest and rent on land	–	–	–	1 806	–	–	1 806	1 806
Transfers and subsidies	5 264	–	–	1 220	–	–	1 220	6 484
Provinces and municipalities	6	–	–	–	–	–	–	6
Households	5 258	–	–	1 220	–	–	1 220	6 478
Payments for capital assets	8 385	–	–	1 000	–	–	1 000	9 385
Machinery and equipment	8 385	–	–	1 000	–	–	1 000	9 385
Total	493 810	–	–	(22 535)	(28 000)	–	(50 535)	443 275

Programme 2: Intergovernmental Coordination

Subprogramme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Monitoring, Evaluation and Reporting	14 026	–	–	–	–	–	–	14 026
Intergovernmental Relations and Coordination	46 204	–	–	(2 000)	(10 000)	–	(12 000)	34 204
Total	60 230	–	–	(2 000)	(10 000)	–	(12 000)	48 230
Economic classification								
Current payments	54 355	–	–	(2 000)	(10 000)	–	(12 000)	42 355
Compensation of employees	39 273	–	–	–	(10 000)	–	(10 000)	29 273
Goods and services	15 082	–	–	(2 000)	–	–	(2 000)	13 082
Transfers and subsidies	5 150	–	–	–	–	–	–	5 150
Households	5 150	–	–	–	–	–	–	5 150
Payments for capital assets	725	–	–	–	–	–	–	725
Machinery and equipment	725	–	–	–	–	–	–	725
Total	60 230	–	–	(2 000)	(10 000)	–	(12 000)	48 230

Programme 3: Expanded Public Works Programme

Programme of Expanded Public Works Programme								
Subprogramme		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Expanded Public Works Programme: Monitoring and Evaluation	70 135	–	–	(7 660)	–	–	(7 660)	62 475
Expanded Public Works Programme: Infrastructure	1 191 281	–	–	2 082	–	–	2 082	1 193 363
Expanded Public Works Programme: Operations	1 077 092	–	–	(1 904)	–	–	(1 904)	1 075 188
Expanded Public Works Programme: Partnership Support	68 539	–	–	440	–	–	440	68 979
Expanded Public Works Programme: Public Employment Coordinating Commission	7 536	–	–	42	–	–	42	7 578
Total	2 414 583	–	–	(7 000)	–	–	(7 000)	2 407 583
Economic classification								
Current payments	315 290	–	–	(7 000)	–	–	(7 000)	308 290
Compensation of employees	156 379	–	–	–	–	–	–	156 379
Goods and services	158 911	–	–	(7 000)	–	–	(7 000)	151 911
Transfers and subsidies	2 096 681	–	–	–	–	–	–	2 096 681
Provinces and municipalities	1 472 609	–	–	–	–	–	–	1 472 609
Non-profit institutions	623 904	–	–	–	–	–	–	623 904
Households	168	–	–	–	–	–	–	168
Payments for capital assets	2 612	–	–	–	–	–	–	2 612
Machinery and equipment	2 612	–	–	–	–	–	–	2 612
Total	2 414 583	–	–	(7 000)	–	–	(7 000)	2 407 583

Programme 4: Property and Construction Industry Policy and Research

Programme 11 Property and Construction Industry Policy and Research								
Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Construction Policy Development Programme	45 896	–	–	120	–	–	120	46 016
Property Policy Development Programme	14 954	–	–	706	–	–	706	15 660
Construction Industry Development Board	74 984	–	–	–	–	–	–	74 984
Council for the Built Environment	48 568	–	–	–	–	–	–	48 568
Independent Development Trust	–	–	–	111 066	–	–	111 066	111 066
Construction Education and Training Authority	516	–	–	–	–	–	–	516
Property Management Trading Entity	3 758 922	–	–	(76 668)	–	–	(76 668)	3 682 254
Assistance to Organisations for the Preservation of National Memorials	26 031	–	–	(3 689)	–	–	(3 689)	22 342
Total	3 969 871	–	–	31 535	–	–	31 535	4 001 406
Economic classification								
Current payments	31 175	–	–	–	–	–	–	31 175
Compensation of employees	15 546	–	–	–	–	–	–	15 546
Goods and services	15 629	–	–	–	–	–	–	15 629
Transfers and subsidies	3 938 396	–	–	31 535	–	–	31 535	3 969 931
Departmental agencies and accounts	3 912 035	–	–	(76 668)	–	–	(76 668)	3 835 367
Foreign governments and international organisations	26 031	–	–	(3 689)	–	–	(3 689)	22 342
Public corporations and private enterprises	–	–	–	111 066	–	–	111 066	111 066
Non-profit institutions	120	–	–	–	–	–	–	120
Households	210	–	–	826	–	–	826	1 036
Payments for capital assets	300	–	–	–	–	–	–	300
Machinery and equipment	300	–	–	–	–	–	–	300
Total	3 969 871	–	–	31 535	–	–	31 535	4 001 406

Programme 5: Prestige Policy

Subprogramme		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Prestige Accommodation and State Functions	89 585	–	–	–	(15 000)	–	(15 000)	74 585
Parliamentary Villages Management Board	10 051	–	–	–	–	–	–	10 051
Total	99 636	–	–	–	(15 000)	–	(15 000)	84 636

Programme 5: Prestige Policy (continued)

Economic classification		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	79 385	–	–	–	(10 000)	–	(10 000)	69 385
Compensation of employees	25 183	–	–	–	–	–	–	25 183
Goods and services	54 202	–	–	–	(10 000)	–	(10 000)	44 202
Transfers and subsidies	10 251	–	–	–	–	–	–	10 251
Departmental agencies and accounts	10 051	–	–	–	–	–	–	10 051
Households	200	–	–	–	–	–	–	200
Payments for capital assets	10 000	–	–	–	(5 000)	–	(5 000)	5 000
Machinery and equipment	10 000	–	–	–	(5 000)	–	(5 000)	5 000
Total	99 636	–	–	–	(15 000)	–	(15 000)	84 636

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes****Programmes**

1. Administration
2. Intergovernmental Coordination
3. Expanded Public Works Programme
4. Property and Construction Industry Policy and Research
5. Prestige Policy

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(26 561)	Programme 1		4 026
Goods and services	Agency and support/outsourced services	(350)	Households	Claims against the state	350
	Agency and support/outsourced services	(870)	Households	Claims against the state	870
	Agency and support/outsourced services	(1 000)	Machinery and equipment	Vehicles	1 000
	Contractors	(1 806)	Interest and rent on land	Interest charges	1 806
	Agency and support/outsourced services, auditing services, bursaries, business and advisory services, communication, computer services, operating payments, contractors and property payments	(21 709)	Programme 4		22 535
	Agency and support/outsourced services	(826)	Public corporations and private enterprises	Independent Development Trust ¹	21 709
			Households	Claims against the state and leave gratuities	826
Shifts within the programme as a percentage of the programme budget		1.5%			
Virements to other programmes as a percentage of the programme budget		4.6%			
Programme 2		(2 000)	Programme 4		2 000
Goods and services	Agency and support/outsourced services	(2 000)	Public corporations and private enterprises	Independent Development Trust ¹	2 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		3.3%			
Programme 3		(7 000)	Programme 4		7 000
Goods and services	Agency and support/outsourced services	(7 000)	Public corporations and private enterprises	Independent Development Trust ¹	7 000
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.3%			
Programme 4		(80 357)	Programme 4		80 357
Departmental agencies and accounts	Property Management Trading Entity ¹	(76 668)	Public corporations and private enterprises	Independent Development Trust ¹	76 668
Foreign governments and international organisations	Transfer payment to the Commonwealth War Graves Commission ¹	(3 689)	Public corporations and private enterprises	Independent Development Trust ¹	3 689
Shifts within the programme as a percentage of the programme budget		2.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(115 918)			115 918

1. National Treasury approval has been obtained.

Declared unspent funds – R53 million

Programme 1: Administration

R28 million in unspent funds has been declared on compensation of employees due to vacant posts and associated goods and services due to delays in the implementation of the newly approved organisational structure.

Programme 2: Intergovernmental Coordination

R10 million in unspent funds has been declared on compensation of employees due to vacant posts as a result of delays in the implementation of the newly approved organisational structure.

Programme 5: Prestige Policy

R15 million in unspent funds has been declared on payments for capital assets and contractors due to slow spending on prestige accommodation projects.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	516 006	212 571	41.2	450 444	87.3	443 275	6.3	221 864	50.1
Intergovernmental Coordination	28 639	5 819	20.3	16 477	57.5	48 230	0.7	17 919	37.2
Expanded Public Works Programme	2 319 500	1 101 677	47.5	2 301 446	99.2	2 407 583	34.5	1 060 242	44.0
Property and Construction Industry	3 552 562	1 897 606	53.4	3 547 048	99.8	4 001 406	57.3	2 058 747	51.5
Policy and Research	96 092	38 094	39.6	87 931	91.5	84 636	1.2	34 585	40.9
Total	6 512 799	3 255 767	50.0	6 403 346	98.3	6 985 130	100.0	3 393 357	48.6
Economic classification									
Current payments	905 083	470 021	51.9	804 919	88.9	878 611	12.6	394 564	44.9
Compensation of employees	471 825	262 367	55.6	438 827	93.0	458 413	6.6	218 715	47.7
Goods and services	433 258	207 654	47.9	366 092	84.5	418 392	6.0	174 043	41.6
Interest and rent on land	—	—	0.0	—	0.0	1 806	0.0	1 806	100.0
Transfers and subsidies	5 570 208	2 773 003	49.8	5 571 249	100.0	6 088 497	87.2	2 988 779	49.1
Provinces and municipalities	1 425 668	652 807	45.8	1 425 666	100.0	1 472 615	21.1	594 956	40.4
Departmental agencies and accounts	3 507 375	1 772 866	50.5	3 507 343	100.0	3 845 418	55.1	1 980 820	51.5
Foreign governments and international organisations	28 234	28 234	100.0	28 234	100.0	22 342	0.3	22 342	100.0
Public corporations and private enterprises	—	—	0.0	—	0.0	111 066	1.6	55 533	50.0
Non-profit institutions	600 427	315 394	52.5	600 427	100.0	624 024	8.9	326 122	52.3
Households	8 504	3 702	43.5	9 579	112.6	13 032	0.2	9 006	69.1
Payments for capital assets	37 508	12 743	34.0	25 779	68.7	18 022	0.3	10 014	55.6
Machinery and equipment	37 508	12 743	34.0	19 722	52.6	18 022	0.3	9 952	55.2
Total	6 512 799	3 255 767	50.0	6 403 346	98.3	6 985 130	100.0	3 393 357	48.6

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R6.4 billion, or 98.3 per cent of the adjusted appropriation for 2016/17. Expenditure in the first six months of 2017/18 was R3.4 billion, or 48.6 per cent of the adjusted appropriation of R7 billion for the year. In comparison, mid-year expenditure in 2016/17 was R3.3 billion, or 50 per cent of the adjusted appropriation for 2016/17. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R137.6 million, or 4.2 per cent. This is mainly due to an increase in the transfer payment to the Property Management Trading Entity and the creation of a new transfer line for the Independent Development Trust.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	2 764	1 834	66.4	14 608	528.5	1 384	1 809	100.0	1 291	71.4
Sales of goods and services produced by department	585	566	96.8	1 222	208.9	55	270	14.9	139	51.5
Sales of scrap, waste, arms and other used current goods	10	5	50.0	39	390.0	–	10	0.6	7	70.0
Interest, dividends and rent on land	1 089	690	63.4	12 361	1 135.1	300	500	27.6	274	54.8
Sales of capital assets	–	–	–	70	–	–	–	–	–	–
Transactions in financial assets and liabilities	1 080	573	53.1	916	84.8	1 029	1 029	56.9	871	84.6
Total	2 764	1 834	66.4	14 608	528.5	1 384	1 809	100.0	1 291	71.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R1.3 million, or 71.4 per cent of the adjusted revenue estimate of R1.8 million for the year. In comparison, mid-year revenue in 2016/17 was R1.8 million, or 66.4 per cent of the adjusted estimate for 2016/17. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R543 000, or 29.6 per cent. This is mainly due to accrued interest on the department's bank account, and a decrease in commission earned on insurance products and garnishee orders resulting from the migration of a number of employees from the department to the Property Management Trading Entity.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration								
Households								
Social benefits								
Current	5 258	–	–	1 220	–	–	1 220	6 478
Employee social benefits	5 258	–	–	1 220	–	–	1 220	6 478
Property and Construction								
Industry Policy and Research								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	3 758 922	–	–	(76 668)	–	–	(76 668)	3 682 254
Property Management Trading Entity	3 758 922	–	–	(76 668)	–	–	(76 668)	3 682 254
Foreign governments and international organisations								
Current	26 031	–	–	(3 689)	–	–	(3 689)	22 342
Commonwealth War Graves Commission	26 031	–	–	(3 689)	–	–	(3 689)	22 342
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	–	–	–	111 066	–	–	111 066	111 066
Independent Development Trust	–	–	–	111 066	–	–	111 066	111 066
Households								
Social benefits								
Current	210	–	–	826	–	–	826	1 036
Employee social benefits	210	–	–	826	–	–	826	1 036

Vote 12

Statistics South Africa

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 146 313	2 177 562	(385)	31 634
of which:				
Current payments	1 858 276	1 857 891	(385)	–
Transfers and subsidies	13 205	13 590	–	385
Payments for capital assets	274 832	306 081	–	31 249
Executive authority	Minister in the Presidency: Planning, Monitoring and Evaluation			
Accounting officer	Statistician-General of Statistics South Africa			
Website address	www.statssa.gov.za			

Vote purpose

Lead and partner in the production of statistics in line with internationally recognised principles and standards, to inform users about socioeconomic dynamics for evidence-based decisions.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of GDP estimates releases per year	Economic Statistics	Outcome 4: Decent employment through inclusive growth	4	2	–
Number of releases on industry and trade statistics per year	Economic Statistics		150	76	–
Number of releases on financial statistics per year	Economic Statistics		17	10	–
Number of price index releases per year	Economic Statistics		48	24	–
Number of releases on labour market dynamics per year	Population and Social Statistics	Outcome 8: Sustainable human settlements and improved quality of household life	8	5	–
Number of releases on living circumstances, service delivery and poverty per year	Population and Social Statistics		4	2	–
Number of releases on the changing profile of the population per year	Population and Social Statistics		17	8	–

Mid-year progress

The department is on track to meet its targets.

Adjusted Estimates of National Expenditure 2017

2017/18							
Programme	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
R thousand							
Administration	687 527	31 249	–	–	–	–	31 249
Economic Statistics	228 837	–	–	–	–	–	–
Population and Social Statistics	128 238	–	–	–	–	–	–
Methodology, Standards and Research	66 847	–	–	–	–	–	–
Statistical Support and Informatics	258 413	–	–	–	–	–	–
Statistical Collection and Outreach	585 060	–	–	–	–	–	–
Survey Operations	191 391	–	–	–	–	–	–
Total	2 146 313	31 249	–	–	–	–	31 249
							2 177 562

Economic classification		2017/18					
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Current payments	1 858 276	–	–	(385)	–	–	1 857 891
Compensation of employees	1 352 218	–	–	–	–	–	1 352 218
Goods and services	506 058	–	–	(385)	–	–	505 673
Transfers and subsidies	13 205	–	–	385	–	–	13 590
Departmental agencies and accounts	15	–	–	–	–	–	15
Higher education institutions	7 500	–	–	–	–	–	7 500
Non-profit institutions	330	–	–	–	–	–	330
Households	5 360	–	–	385	–	–	5 745
Payments for capital assets	274 832	31 249	–	–	–	–	306 081
Buildings and other fixed structures	229 594	31 249	–	–	–	–	260 843
Machinery and equipment	44 589	–	–	–	–	–	44 589
Software and other intangible assets	649	–	–	–	–	–	649
Total	2 146 313	31 249	–	–	–	–	2 177 562

Programme 1: Administration

Subprogramme		2017/18					
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Departmental Management	36 863	–	–	500	–	–	37 363
Corporate Services	171 663	–	–	(1 250)	–	–	170 413
Financial Administration	78 738	–	–	–	–	–	78 738
Internal Audit	12 482	–	–	–	–	–	12 482
National Statistics System	29 253	–	–	–	–	–	29 253
Office Accommodation	358 528	31 249	–	750	–	–	390 527
Total	687 527	31 249	–	–	–	–	718 776
Economic classification							
Current payments	439 423	–	–	(76)	–	–	439 347
Compensation of employees	225 918	–	–	–	–	–	225 918
Goods and services	213 505	–	–	(76)	–	–	213 429
Transfers and subsidies	10 584	–	–	76	–	–	10 660
Departmental agencies and accounts	14	–	–	–	–	–	14
Higher education institutions	7 500	–	–	–	–	–	7 500
Non-profit institutions	130	–	–	–	–	–	130
Households	2 940	–	–	76	–	–	3 016
Payments for capital assets	237 520	31 249	–	–	–	–	268 769
Buildings and other fixed structures	229 594	31 249	–	–	–	–	260 843
Machinery and equipment	7 926	–	–	–	–	–	7 926
Total	687 527	31 249	–	–	–	–	718 776

Programme 2: Economic Statistics

Subprogramme		2017/18					
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Programme Management for Economic Statistics	6 263	–	–	–	–	–	6 263
Short Term Indicators	32 248	–	–	–	–	–	32 248
Structural Industry Statistics	42 217	–	–	–	–	–	42 217
Price Statistics	71 505	–	–	–	–	–	71 505
Private Sector Finance Statistics	30 961	–	–	–	–	–	30 961
Government Finance Statistics	17 320	–	–	–	–	–	17 320
National Accounts	20 404	–	–	–	–	–	20 404
Economic Analysis	7 919	–	–	–	–	–	7 919
Total	228 837	–	–	–	–	–	228 837
Economic classification							
Current payments	227 765	–	–	(85)	–	–	227 680
Compensation of employees	201 656	–	–	–	–	–	201 656
Goods and services	26 109	–	–	(85)	–	–	26 024
Transfers and subsidies	25	–	–	85	–	–	110
Departmental agencies and accounts	1	–	–	–	–	–	1
Households	24	–	–	85	–	–	109
Payments for capital assets	1 047	–	–	–	–	–	1 047
Machinery and equipment	1 047	–	–	–	–	–	1 047
Total	228 837	–	–	–	–	–	228 837

Programme 5: Statistical Support and Informatics

Subprogramme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for Statistical Support and Informatics	4 378	–	–	–	–	–	–	4 378
Geography Services	23 617	–	–	600	–	–	600	24 217
Geography Frames	22 463	–	–	(600)	–	–	(600)	21 863
Publication Services	26 361	–	–	–	–	–	–	26 361
Data Management and Technology	130 760	–	–	–	–	–	–	130 760
Business Modernisation	50 834	–	–	–	–	–	–	50 834
Total	258 413	–	–	–	–	–	–	258 413
Economic classification								
Current payments	242 409	–	–	(86)	–	–	(86)	242 323
Compensation of employees	132 085	–	–	–	–	–	–	132 085
Goods and services	110 324	–	–	(86)	–	–	(86)	110 238
Transfers and subsidies	–	–	–	86	–	–	86	86
Households	–	–	–	86	–	–	86	86
Payments for capital assets	16 004	–	–	–	–	–	–	16 004
Machinery and equipment	15 475	–	–	–	–	–	–	15 475
Software and other intangible assets	529	–	–	–	–	–	–	529
Total	258 413	–	–	–	–	–	–	258 413

Programme 6: Statistical Collection and Outreach

Subprogramme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for Statistical Collection and Outreach	8 690	–	–	102	–	–	102	8 792
International Statistical Development and Cooperation	11 201	–	–	(102)	–	–	(102)	11 099
Provincial and District Offices	529 015	–	–	–	–	–	–	529 015
Stakeholder Relations and Marketing	20 438	–	–	100	–	–	100	20 538
Corporate Communications	15 716	–	–	(100)	–	–	(100)	15 616
Total	585 060	–	–	–	–	–	–	585 060
Economic classification								
Current payments	570 292	–	–	(138)	–	–	(138)	570 154
Compensation of employees	473 395	–	–	–	–	–	–	473 395
Goods and services	96 897	–	–	(138)	–	–	(138)	96 759
Transfers and subsidies	–	–	–	138	–	–	138	138
Households	–	–	–	138	–	–	138	138
Payments for capital assets	14 768	–	–	–	–	–	–	14 768
Machinery and equipment	14 768	–	–	–	–	–	–	14 768
Total	585 060	–	–	–	–	–	–	585 060

Details of adjustments to Estimates of National Expenditure 2017**Roll-overs – R31.249 million****Programme 1: Administration**

R31.249 million has been rolled over for capital contribution and unitary fee payments to the private-public partnership, and the procurement of furniture for senior management. The capital contribution and unitary fee payments were not made in the previous period due to finishes that remained incomplete at the time the department took occupation of its new head office building.

Virements and shifts within votes

Programmes					
1. Administration					
2. Economic Statistics					
3. Population and Social Statistics					
4. Methodology, Standards and Research					
5. Statistical Support and Informatics					
6. Statistical Collection and Outreach					
7. Survey Operations					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(76)	Programme 1		76
Goods and services	Cost containment measures effected on advertising, office supplies, printing, stationery, and venues and facilities	(76)	Households	Leave gratuities	76
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(85)	Programme 2		85
Goods and services	Cost containment measures effected on contractors, stationery, and travel and subsistence	(85)	Households	Leave gratuities	85
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 5		(86)	Programme 5		86
Goods and services	Cost containment measures effected on computer services	(86)	Households	Leave gratuities	86
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 6		(138)	Programme 6		138
Goods and services	Cost containment measures effected on consumable supplies, operating leases, training and development, and venues and facilities	(138)	Households	Leave gratuities	138
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%			
Total		(385)			385

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	744 653	297 817	40.0	671 188	90.1	718 776	33.0	306 155	42.6
Economic Statistics	228 773	114 484	50.0	233 312	102.0	228 837	10.5	116 308	50.8
Population and Social Statistics	129 488	58 474	45.2	114 498	88.4	128 238	5.9	55 941	43.6
Methodology, Standards and Research	73 422	33 868	46.1	70 202	95.6	66 847	3.1	35 666	53.4
Statistical Support and Informatics	257 044	93 816	36.5	247 883	96.4	258 413	11.9	96 993	37.5
Statistical Collection and Outreach	571 382	295 510	51.7	630 088	110.3	585 060	26.9	312 613	53.4
Survey Operations	533 346	390 106	73.1	494 034	92.6	191 391	8.8	80 109	41.9
Total	2 538 108	1 284 075	50.6	2 461 205	97.0	2 177 562	100.0	1 003 785	46.1
Economic classification									
Current payments	2 235 704	1 204 902	53.9	2 221 702	99.4	1 857 891	85.3	888 244	47.8
Compensation of employees	1 408 390	703 752	50.0	1 371 767	97.4	1 352 218	62.1	695 321	51.4
Goods and services	827 314	501 150	60.6	849 935	102.7	505 673	23.2	192 923	38.2
Transfers and subsidies	16 673	9 429	56.6	13 091	78.5	13 590	0.6	6 718	49.4
Departmental agencies and accounts	15	8	53.3	9	60.0	15	0.0	3	20.0
Higher education institutions	8 191	6 578	80.3	7 500	91.6	7 500	0.3	4 500	60.0
Public corporations and private enterprises	—	135	0.0	185	0.0	—	0.0	25	0.0
Non-profit institutions	323	200	61.9	290	89.8	330	0.0	200	60.6
Households	8 144	2 508	30.8	5 107	62.7	5 745	0.3	1 990	34.6

R thousand	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Payments for capital assets	285 731	69 744	24.4	220 202	77.1	306 081	14.1	108 823	35.6
Buildings and other fixed structures	230 360	45 446	19.7	155 911	67.7	260 843	12.0	96 837	37.1
Machinery and equipment	52 344	23 363	44.6	61 586	117.7	44 589	2.0	6 446	14.5
Software and other intangible assets	3 027	935	30.9	2 705	89.4	649	–	5 540	853.6
Payments for financial assets	–	–	–	6 210	–	–	–	–	–
Total	2 538 108	1 284 075	50.6	2 461 205	97.0	2 177 562	100.0	1 003 785	46.1

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R2.5 billion, or 97 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R1 billion, or 46.1 per cent of the adjusted appropriation of R2.2 billion for the year. In comparison, mid-year expenditure in 2016/17 was R1.3 billion, or 50.6 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R280.3 million, or 21.8 per cent. This is mainly due to the community survey that was conducted in 2016/17.

Departmental receipts

R thousand	2016/17 Audited outcome					2017/18 Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	3 207	1 616	50.4	8 580	267.5	1 219	1 825	100.0	1 292	70.8
Sales of goods and services produced by department	814	471	57.9	826	101.5	764	996	54.6	610	61.2
Sales of scrap, waste, arms and other used current goods	735	729	99.2	737	100.3	25	5	0.3	2	40.0
Transfers received	–	–	–	30	–	–	–	–	–	–
Interest, dividends and rent on land	48	36	75.0	110	229.2	50	77	4.2	50	64.9
Sales of capital assets	1 050	–	–	1 039	99.0	–	16	0.9	16	100.0
Transactions in financial assets and liabilities	560	380	67.9	5 838	1 042.5	380	731	40.1	614	84.0
Total	3 207	1 616	50.4	8 580	267.5	1 219	1 825	100.0	1 292	70.8

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R1.3 million, or 70.8 per cent of the adjusted revenue estimate of R1.8 million for the year. In comparison, mid-year revenue in 2016/17 was R1.6 million, or 50.4 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R324 000, or 20 per cent. This is mainly due to the sale of wastepaper when the department relocated to its new building in 2016/17.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme								
	2017/18							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration								
Households								
Social benefits								
Current	–	–	–	76	–	–	76	76
Employee social benefits	–	–	–	76	–	–	76	76
Economic Statistics								
Households								
Social benefits								
Current	24	–	–	85	–	–	85	109
Employee social benefits	24	–	–	85	–	–	85	109
Statistical Support and Informatics								
Households								
Social benefits								
Current	–	–	–	86	–	–	86	86
Employee social benefits	–	–	–	86	–	–	86	86
Statistical Collection and Outreach								
Households								
Social benefits								
Current	–	–	–	138	–	–	138	138
Employee social benefits	–	–	–	138	–	–	138	138

Vote 13

Women

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	206 163	206 163	(175)	175
of which:				
Current payments	124 080	123 905	(175)	–
Transfers and subsidies	78 267	78 442	–	175
Payments for capital assets	3 816	3 816	–	–
Executive authority	Minister of Women in the Presidency			
Accounting officer	Director-General of Women			
Website address	www.women.gov.za			

Vote purpose

Lead, coordinate and oversee the transformation agenda on women's socioeconomic empowerment, rights and equality.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of reports produced per year on the implementation of the presidential directive on women's economic empowerment in the nine-point plan	Social Transformation and Economic Empowerment	Outcome 4: Decent employment through inclusive growth	1	0	–
Policy framework for sanitary dignity developed	Social Transformation and Economic Empowerment	Outcome 14: Nation building and social cohesion	Develop policy framework for sanitary dignity	0	–
Implementation of interventions to enhance prevention and elimination of violence against women and children	Social Transformation and Economic Empowerment	Outcome 3: All people in South African are and feel safe Outcome 13: An inclusive and responsive social protection system	Support stakeholders in the implementation of the integrated plan of action on violence against women and children	Analysis of best practice model developed for the management of violence against women National dialogue interventions implemented in Northern Cape Two additional indicators developed and incorporated in the integrated plan of action	–
Number of reports on the implementation of government commitments on international instruments produced per year	Policy, Stakeholder Coordination and Knowledge Management	Outcome 14: Nation building and social cohesion	4	2	–
Number of public participation and outreach initiatives on women's empowerment, including girls and young women, conducted per year	Policy, Stakeholder Coordination and Knowledge Management		10 ¹	7	–
Number of campaigns rolled out on 365 Days for No Violence Against Women and Children campaign per year	Policy, Stakeholder Coordination and Knowledge Management	Outcome 13: An inclusive and responsive social protection system Outcome 14: Nation building and social cohesion	1	1	–

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of reports produced on the implementation of women's empowerment and gender equality monitoring and evaluation framework per year	Policy, Stakeholder Coordination and Knowledge Management	Outcome 14: Nation building and social cohesion	1	0	–

1. Target changed to align with the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

Mid-year progress

In the first six months of 2017/18, the department produced draft reports for approval on the implementation of the presidential directive on women's economic empowerment in the nine-point plan and the development of the policy framework for sanitary dignity. The department also produced 2 reports, as planned, on the implementation of government commitments on international instruments. These were scheduled for the first half of the year.

7 public participation and outreach initiatives on women's empowerment, including girls and young women, were conducted in the first half of the year against an annual target of 10. The department planned to conduct 6 initiatives in the first six months of the year, and has exceeded this target.

In its work on the 365 Days for No Violence against Women and Children campaign, the department has conducted national dialogues and outreach operations to raise awareness on gender-based violence in the Northern Cape.

The department has produced a draft report on the implementation of the women's empowerment and gender equality monitoring and evaluation framework. It will focus on finalising the report to meet its target by the end of 2017/18.

The department is on track to achieve all its targets for 2017/18.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	83 029	–	–	1 636	–	–	1 636	84 665
Social Transformation and Economic Empowerment	94 936	–	–	4 907	–	–	4 907	99 843
Policy, Stakeholder Coordination and Knowledge Management	28 198	–	–	(6 543)	–	–	(6 543)	21 655
Total	206 163	–	–	–	–	–	–	206 163
Economic classification								
Current payments	124 080	–	–	(175)	–	–	(175)	123 905
Compensation of employees	71 900	–	–	(175)	–	–	(175)	71 725
Goods and services	52 180	–	–	–	–	–	–	52 180
Transfers and subsidies	78 267	–	–	175	–	–	175	78 442
Departmental agencies and accounts	78 266	–	–	–	–	–	–	78 266
Households	1	–	–	175	–	–	175	176
Payments for capital assets	3 816	–	–	–	–	–	–	3 816
Machinery and equipment	2 941	–	–	–	–	–	–	2 941
Software and other intangible assets	875	–	–	–	–	–	–	875
Total	206 163	–	–	–	–	–	–	206 163

Programme 1: Administration

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Ministry	17 764	–	–	1 600	–	–	1 600	19 364
Departmental Management	17 323	–	–	36	–	–	36	17 359
Corporate Services	19 113	–	–	–	–	–	–	19 113
Financial Management	13 059	–	–	–	–	–	–	13 059
Office Accommodation	15 770	–	–	–	–	–	–	15 770
Total	83 029	–	–	1 636	–	–	1 636	84 665
Economic classification								
Current payments	80 299	–	–	1 536	–	–	1 536	81 835
Compensation of employees	50 163	–	–	–	–	–	–	50 163
Goods and services	30 136	–	–	1 536	–	–	1 536	31 672
Transfers and subsidies	1	–	–	100	–	–	100	101
Households	1	–	–	100	–	–	100	101
Payments for capital assets	2 729	–	–	–	–	–	–	2 729
Machinery and equipment	1 854	–	–	–	–	–	–	1 854
Software and other intangible assets	875	–	–	–	–	–	–	875
Total	83 029	–	–	1 636	–	–	1 636	84 665

Programme 2: Social Transformation and Economic Empowerment

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management: Social Transformation and Economic Empowerment	5 102	–	–	1 176	–	–	1 176	6 278
Social Empowerment and Transformation	4 576	–	–	1 412	–	–	1 412	5 988
Governance Transformation, Justice and Security	3 920	–	–	1 709	–	–	1 709	5 629
Economic Empowerment and Participation	3 072	–	–	610	–	–	610	3 682
Commission for Gender Equality	78 266	–	–	–	–	–	–	78 266
Total	94 936	–	–	4 907	–	–	4 907	99 843
Economic classification								
Current payments	16 295	–	–	4 882	–	–	4 882	21 177
Compensation of employees	8 028	–	–	(175)	–	–	(175)	7 853
Goods and services	8 267	–	–	5 057	–	–	5 057	13 324
Transfers and subsidies	78 266	–	–	25	–	–	25	78 291
Departmental agencies and accounts	78 266	–	–	–	–	–	–	78 266
Households	–	–	–	25	–	–	25	25
Payments for capital assets	375	–	–	–	–	–	–	375
Machinery and equipment	375	–	–	–	–	–	–	375
Total	94 936	–	–	4 907	–	–	4 907	99 843

Programme 3: Policy, Stakeholder Coordination and Knowledge Management

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management: Policy Coordination and Knowledge Management	2 638	–	–	50	–	–	50	2 688
Research and Policy Analysis	4 385	–	–	–	–	–	–	4 385
Information and Knowledge Management	1 061	–	–	–	–	–	–	1 061
Stakeholder Coordination and Outreach	16 244	–	–	(6 593)	–	–	(6 593)	9 651
Monitoring and Evaluation	3 870	–	–	–	–	–	–	3 870
Total	28 198	–	–	(6 543)	–	–	(6 543)	21 655
Economic classification								
Current payments	27 486	–	–	(6 593)	–	–	(6 593)	20 893
Compensation of employees	13 709	–	–	–	–	–	–	13 709
Goods and services	13 777	–	–	(6 593)	–	–	(6 593)	7 184

Programme 3: Policy, Stakeholder Coordination and Knowledge Management (continued)

R thousand	Main appropriation	2017/18 Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Transfers and subsidies	–	–	–	50	–	–	50	50
Households	–	–	–	50	–	–	50	50
Payments for capital assets	712	–	–	–	–	–	–	712
Machinery and equipment	712	–	–	–	–	–	–	712
Total	28 198	–	–	(6 543)	–	–	(6 543)	21 655

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes****Programmes**

- Administration
- Social Transformation and Economic Empowerment
- Policy, Stakeholder Coordination and Knowledge Management

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(175)	Programme 2		25
Compensation of employees	Vacant posts ¹	(25)	Households	Leave gratuities	25
	Vacant posts ¹	(50)	Programme 3		50
	Vacant posts ¹	(100)	Households	Leave gratuities	50
			Programme 1		100
			Households	Leave gratuities	100
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.2%			
Programme 3		(6 593)	Programme 2		5 057
Goods and services	Reallocation of funds incorrectly allocated	(5 057)	Goods and services	Reallocation of funds incorrectly allocated	5 057
	Reallocation of funds incorrectly allocated	(1 536)	Programme 1		1 536
			Goods and services	Reallocation of funds incorrectly allocated	1 536
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		23.4% ²			
Total		(6 768)			6 768

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	88 287	45 622	51.7	88 459	100.2	84 665	41.1	40 006	47.3
Social Transformation and Economic Empowerment	84 402	39 607	46.9	79 548	94.2	99 843	48.4	43 403	43.5
Policy, Stakeholder Coordination and Knowledge Management	24 198	11 246	46.5	26 732	110.5	21 655	10.5	13 123	60.6
Total	196 887	96 475	49.0	194 739	98.9	206 163	100.0	96 532	46.8
Economic classification									
Current payments	123 263	60 415	49.0	121 148	98.3	123 905	60.1	55 992	45.2
Compensation of employees	72 613	36 551	50.3	70 621	97.3	71 725	34.8	36 037	50.2
Goods and services	50 650	23 864	47.1	50 527	99.8	52 180	25.3	19 955	38.2
Transfers and subsidies	69 893	35 116	50.2	70 242	100.5	78 442	38.0	39 396	50.2
Provinces and municipalities	1	1	100.0	6	600.0	–	0.0	–	–
Departmental agencies and accounts	69 891	34 949	50.0	69 891	100.0	78 266	38.0	39 135	50.0
Households	1	166	16600.0	345	34500.0	176	0.1	261	148.3

Economic classification	2016/17					2017/18				
	Audited outcome					Actual expenditure				
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation	
R thousand										
Payments for capital assets	3 731	944	25.3	3 290	88.2	3 816	1.9	1 144	30.0	
Buildings and other fixed structures	120	—	0.0	—	0.0	—	0.0	—	—	—
Machinery and equipment	3 611	793	22.0	3 290	91.1	2 941	1.4	1 144	38.9	—
Software and other intangible assets	—	151	0.0	—	0.0	875	0.4	—	0.0	—
Payments for financial assets	—	—	—	59	—	—	0.0	—	—	—
Total	196 887	96 475	49.0	194 739	98.9	206 163	100.0	96 532	46.8	

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R194.7 million, or 98.9 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R96.5 million, or 46.8 per cent of the adjusted appropriation of R206.2 million for the year. In comparison, mid-year expenditure in 2016/17 was R96.5 million, or 49 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R57 000, or 0.1 per cent. This is mainly due to the payment of accruals from 2016/17 that were settled in the first quarter.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
R thousand										
Departmental receipts	306	281	91.8	576	188.2	36	40	100.0	14	35.0
Sales of goods and services produced by department	34	9	26.5	21	61.8	36	37	92.5	11	29.7
Sales of scrap, waste, arms and other used current goods	—	—	—	—	—	—	3	7.5	3	100.0
Sales of capital assets	—	—	—	298	—	—	—	—	—	—
Transactions in financial assets and liabilities	272	272	100.0	257	94.5	—	—	—	—	—
Total	306	281	91.8	576	188.2	36	40	100.0	14	35.0

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R14 000, or 35 per cent of the adjusted revenue estimate of R40 000 for the year. In comparison, mid-year revenue in 2016/17 was R281 000, or 91.8 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R267 000, or 95 per cent. The higher revenue in the previous period was because of capital assets that were auctioned. In the first half of 2017/18, the department generated revenue through administration fees related to third-party deductions such as garnishee orders and insurance policies, and the sale of wastepaper.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme								
	2017/18							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration								
Households								
Social benefits								
Current	1	–	–	100	–	–	100	101
Employee social benefits	1	–	–	100	–	–	100	101
Social Transformation and Economic Empowerment								
Households								
Social benefits								
Current	–	–	–	25	–	–	25	25
Employee social benefits	–	–	–	25	–	–	25	25
Policy, Stakeholder Coordination and Knowledge Management								
Households								
Social benefits								
Current	–	–	–	50	–	–	50	50
Employee social benefits	–	–	–	50	–	–	50	50

Vote 14

Basic Education

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	23 408 620	22 993 620	(420 897)	5 897
of which:				
Current payments	2 446 619	2 451 516	–	4 897
Transfers and subsidies	18 502 826	18 503 826	–	1 000
Payments for capital assets	2 459 175	2 038 278	(420 897)	–
Executive authority	Minister of Basic Education			
Accounting officer	Director-General of Basic Education			
Website address	www.education.gov.za			

Vote purpose

Develop, maintain and support a South African school education system for the 21st century.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of learners obtaining subject passes towards a national senior certificate through the Second Chance programme per year	Curriculum Policy, Support and Monitoring	Outcome 1: Quality basic education	20 000	0	–
Number of underperforming schools monitored on the implementation of the early grade reading assessment per year	Curriculum Policy, Support and Monitoring		50	25	–
Percentage of public schools with home language workbooks for learners in grades 1 to 6	Curriculum Policy, Support and Monitoring		100%	100% 17 051	–
Percentage of public schools with mathematics workbooks for learners in grades 1 to 9	Curriculum Policy, Support and Monitoring		100%	100% 22 785	–
Number of Funza Lushaka bursaries awarded to students enrolled for initial teacher education per year	Teachers, Education Human Resources and Institutional Development		13 500	15 127	–
Number of new schools built and completed through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		115	3	–
Number of schools provided with sanitation facilities through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		257	4	–
Number of schools provided with water through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		344	1	–
Number of schools provided with electricity through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		134	29	–
Number of schools provided with nutritious meals on each school day per year	Educational Enrichment Services		19 800	19 975	–

Mid-year progress

Information on the number of learners obtaining subject passes towards a national senior certificate through the matric second chance programme is not yet available. The department is still collating and verifying information from the supplementary examinations, and expects to meet the target by the end of the financial year.

All schools have home language and mathematics workbooks, which they have been using since the start of the third term in July. Workbooks for both subjects are also provided to schools at the beginning of the 2018 school year. Mathematics workbooks are provided to learners at primary and secondary schools,

whereas home language workbooks are provided only to learners at primary schools. As a result, more schools have mathematics workbooks than home language workbooks.

The number of Funza Lushaka bursaries awarded thus far has exceeded the target by 1 627 because university fees were lower than expected due to a moratorium on fee increases at universities for the students with an annual household income less than R600 000. This allowed more students to receive bursaries from the available funds.

Only 3 new schools have been completed through the accelerated school infrastructure delivery initiative against a target of 115 for the year. This is mainly due to poor performance by some implementing agents and difficulties experienced in replacing underperforming ones. The department has addressed these challenges and expects delivery to improve in the second half of the year. Similarly, the delivery of water and sanitation facilities has been stymied by poor performance on the part of implementing agents: water has been provided to 1 school out of a targeted 344, and sanitation to 4 schools out of a targeted 257. The department expects delivery to improve in this regard in the second half of the year as these projects have been reallocated to the Mvula Trust.

The accelerated school infrastructure delivery initiative has provided electricity to 29 schools, while 28 others have been electrified through municipal, provincial and Eskom programmes. The remaining 77 schools will be electrified by Eskom by the end of 2017/18.

The number of schools provided with meals each day through the national school nutrition programme has exceeded the target by 175. This is attributed to schools not included in the target in certain provinces where meals are provided to learners.

Adjusted Estimates of National Expenditure 2017

Programme	Main appropriation	2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	416 283	–	–	10 300	–	–	10 300	426 583
Curriculum Policy, Support and Monitoring	1 801 953	–	–	(18 937)	–	–	(18 937)	1 783 016
Teachers, Education Human Resources and Institutional Development	1 215 104	–	–	37 000	–	–	37 000	1 252 104
Planning, Information and Assessment	13 248 303	–	–	(31 363)	(415 000)	–	(446 363)	12 801 940
Educational Enrichment Services	6 726 977	–	–	3 000	–	–	3 000	6 729 977
Total	23 408 620	–	–	–	(415 000)	–	(415 000)	22 993 620
Economic classification								
Current payments	2 446 619	–	–	4 897	–	–	4 897	2 451 516
Compensation of employees	476 694	–	–	400	–	–	400	477 094
Goods and services	1 921 288	–	–	4 497	–	–	4 497	1 925 785
Interest and rent on land	48 637	–	–	–	–	–	–	48 637
Transfers and subsidies	18 502 826	–	–	1 000	–	–	1 000	18 503 826
Provinces and municipalities	17 154 328	–	–	–	–	–	–	17 154 328
Departmental agencies and accounts	134 760	–	–	–	–	–	–	134 760
Foreign governments and international organisations	18 472	–	–	–	–	–	–	18 472
Non-profit institutions	99 474	–	–	–	–	–	–	99 474
Households	1 095 792	–	–	1 000	–	–	1 000	1 096 792
Payments for capital assets	2 459 175	–	–	(5 897)	(415 000)	–	(420 897)	2 038 278
Buildings and other fixed structures	2 443 998	–	–	–	(415 000)	–	(415 000)	2 028 998
Machinery and equipment	12 907	–	–	(5 897)	–	–	(5 897)	7 010
Software and other intangible assets	2 270	–	–	–	–	–	–	2 270
Total	23 408 620	–	–	–	(415 000)	–	(415 000)	22 993 620

Programme 1: Administration

Subprogramme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Ministry	27 756	–	–	300	–	–	28 056
Department Management	71 496	–	–	9 200	–	–	80 696
Corporate Services	64 387	–	–	(686)	–	–	63 701
Office of the Chief Financial Officer	62 701	–	–	486	–	–	63 187
Internal Audit	6 275	–	–	1 000	–	–	7 275
Office Accommodation	183 668	–	–	–	–	–	183 668
Total	416 283	–	–	10 300	–	–	426 583
Economic classification							
Current payments	404 675	–	–	10 183	–	–	414 858
Compensation of employees	159 625	–	–	(117)	–	–	159 508
Goods and services	196 413	–	–	10 300	–	–	206 713
Interest and rent on land	48 637	–	–	–	–	–	48 637
Transfers and subsidies	405	–	–	117	–	–	522
Departmental agencies and accounts	405	–	–	–	–	–	405
Households	–	–	–	117	–	–	117
Payments for capital assets	11 203	–	–	–	–	–	11 203
Buildings and other fixed structures	7 577	–	–	–	–	–	7 577
Machinery and equipment	3 366	–	–	–	–	–	3 366
Software and other intangible assets	260	–	–	–	–	–	260
Total	416 283	–	–	10 300	–	–	426 583

Programme 2: Curriculum Policy, Support and Monitoring

Subprogramme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Programme Management: Curriculum Policy, Support and Monitoring	3 311	–	–	500	–	–	3 811
Curriculum Implementation and Monitoring	220 952	–	–	200	–	–	221 152
Kha Ri Gude Literacy Project	129 268	–	–	(42 000)	–	–	87 268
Curriculum and Quality Enhancement Programmes	1 448 422	–	–	22 363	–	–	1 470 785
Total	1 801 953	–	–	(18 937)	–	–	1 783 016
Economic classification							
Current payments	1 355 742	–	–	(13 496)	–	–	1 342 246
Compensation of employees	86 239	–	–	944	–	–	87 183
Goods and services	1 269 503	–	–	(14 440)	–	–	1 255 063
Transfers and subsidies	437 315	–	–	456	–	–	437 771
Provinces and municipalities	437 145	–	–	–	–	–	437 145
Foreign governments and international organisations	170	–	–	–	–	–	170
Households	–	–	–	456	–	–	456
Payments for capital assets	8 896	–	–	(5 897)	–	–	2 999
Machinery and equipment	6 886	–	–	(5 897)	–	–	989
Software and other intangible assets	2 010	–	–	–	–	–	2 010
Total	1 801 953	–	–	(18 937)	–	–	1 783 016

Programme 3: Teachers, Education Human Resources and Institutional Development

Subprogramme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Programme Management: Teachers, Education Human Resources and Institutional Development	3 087	–	–	–	–	–	3 087
Education Human Resources Management	63 061	–	–	(3 000)	–	–	60 061
Education Human Resources Development	1 134 236	–	–	39 500	–	–	1 173 736
Curriculum and Professional Development Unit	14 720	–	–	500	–	–	15 220
Total	1 215 104	–	–	37 000	–	–	1 252 104
Economic classification							
Current payments	94 025	–	–	36 998	–	–	131 023
Compensation of employees	68 364	–	–	(2)	–	–	68 362
Goods and services	25 661	–	–	37 000	–	–	62 661
Transfers and subsidies	1 120 266	–	–	2	–	–	1 120 268
Departmental agencies and accounts	9 743	–	–	–	–	–	9 743
Foreign governments and international organisations	14 731	–	–	–	–	–	14 731
Households	1 095 792	–	–	2	–	–	1 095 794
Payments for capital assets	813	–	–	–	–	–	813
Machinery and equipment	813	–	–	–	–	–	813
Total	1 215 104	–	–	37 000	–	–	1 252 104

Programme 4: Planning, Information and Assessment

Subprogramme	Main appropriation	2017/18 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Programme Management: Planning, Information and Assessment	3 170	–	–	–	–	–	–	3 170
Financial Planning, Information and Management Systems	37 156	–	–	2 000	–	–	2 000	39 156
School Infrastructure	12 645 719	–	–	1 300	(415 000)	–	(413 700)	12 232 019
National Assessments and Public Examinations	421 186	–	–	(37 663)	–	–	(37 663)	383 523
National Education Evaluation and Development Unit	20 863	–	–	–	–	–	–	20 863
Planning and Delivery Oversight Unit	120 209	–	–	3 000	–	–	3 000	123 209
Total	13 248 303	–	–	(31 363)	(415 000)	–	(446 363)	12 801 940
Economic classification								
Current payments	537 220	–	–	(31 788)	–	–	(31 788)	505 432
Compensation of employees	124 697	–	–	(425)	–	–	(425)	124 272
Goods and services	412 523	–	–	(31 363)	–	–	(31 363)	381 160
Transfers and subsidies	10 273 158	–	–	425	–	–	425	10 273 583
Provinces and municipalities	10 045 562	–	–	–	–	–	–	10 045 562
Departmental agencies and accounts	124 612	–	–	–	–	–	–	124 612
Foreign governments and international organisations	3 571	–	–	–	–	–	–	3 571
Non-profit institutions	99 413	–	–	–	–	–	–	99 413
Households	–	–	–	425	–	–	425	425
Payments for capital assets	2 437 925	–	–	–	(415 000)	–	(415 000)	2 022 925
Buildings and other fixed structures	2 436 421	–	–	–	(415 000)	–	(415 000)	2 021 421
Machinery and equipment	1 504	–	–	–	–	–	–	1 504
Total	13 248 303	–	–	(31 363)	(415 000)	–	(446 363)	12 801 940

Programme 5: Educational Enrichment Services

Subprogramme	Main appropriation	2017/18 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Programme Management: Educational Enrichment Services	3 124	–	–	–	–	–	–	3 124
Partnerships in Education	24 465	–	–	3 000	–	–	3 000	27 465
Care and Support in Schools	6 699 388	–	–	–	–	–	–	6 699 388
Total	6 726 977	–	–	3 000	–	–	3 000	6 729 977
Economic classification								
Current payments	54 957	–	–	3 000	–	–	3 000	57 957
Compensation of employees	37 769	–	–	–	–	–	–	37 769
Goods and services	17 188	–	–	3 000	–	–	3 000	20 188
Transfers and subsidies	6 671 682	–	–	–	–	–	–	6 671 682
Provinces and municipalities	6 671 621	–	–	–	–	–	–	6 671 621
Non-profit institutions	61	–	–	–	–	–	–	61
Payments for capital assets	338	–	–	–	–	–	–	338
Machinery and equipment	338	–	–	–	–	–	–	338
Total	6 726 977	–	–	3 000	–	–	3 000	6 729 977

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes****Programmes**

1. Administration
2. Curriculum Policy, Support and Monitoring
3. Teachers, Education Human Resources and Institutional Development
4. Planning, Information and Assessment
5. Educational Enrichment Services

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(117)	Programme 1		117
Compensation of employees	Vacant posts ¹	(117)	Households	Leave gratuities	117
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%			
Programme 2		(26 690)	Programme 2		456
Compensation of employees	Vacant posts ¹	(456)	Households	Leave gratuities	456
			Programme 1		8 300
Goods and services	Kha Ri Gude literacy project	(8 300)	Goods and services	Support and oversight visits to provinces and engagements with school principals	8 300

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Reclassification of funds incorrectly classified in the 2017 ENE	(1 400)	Programme 2		1 400
	Kha Ri Gude literacy project	(10 637)	Compensation of employees	Personnel remuneration ¹	1 400
			Programme 3		10 637
			Goods and services	National Teacher Awards ceremony	10 637
Machinery and equipment	Operation Phakisa and workbooks ¹	5 897	Programme 2		5 897
			Goods and services	Broadcasting equipment and learner and teacher support materials	5 897
Shifts within the programme as a percentage of the programme budget		1.7%			
Virements to other programmes as a percentage of the programme budget		1.1%			
Programme 3		(2)	Programme 3		2
Compensation of employees	Vacant posts ¹	(2)	Households	Leave gratuities	2
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 4		(31 788)	Programme 4		425
Compensation of employees	Vacant posts ¹	(425)	Households	Leave gratuities	425
			Programme 1		2 000
Goods and services	Annual national assessments	(2 000)	Goods and services	Consultants for internal audit and risk management	2 000
			Programme 3		26 363
	Annual national assessments	(26 363)	Goods and services	National Teacher Awards ceremony	26 363
			Programme 5		3 000
	Annual national assessments	(3 000)	Goods and services	South African School Choral Eisteddfod	3 000
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.2%			
Total		(58 597)	58 597		

1. National Treasury approval has been obtained.

Declared unspent funds – R415 million

Programme 4: Planning, Information and Assessment

R415 million in unspent funds has been declared on the school infrastructure backlogs grant due to slow spending on school infrastructure projects.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	388 393	205 857	53.0	418 304	107.7	426 583	1.9	219 067	51.4
Curriculum Policy, Support and Monitoring	1 902 207	488 959	25.7	1 826 690	96.0	1 783 016	7.8	474 153	26.6
Teachers, Education Human Resources and Institutional Development	1 160 042	987 642	85.1	1 177 397	101.5	1 252 104	5.4	1 037 586	82.9
Planning, Information and Assessment	12 621 392	6 399 176	50.7	11 719 952	92.9	12 801 940	55.7	7 019 780	54.8
Educational Enrichment Services	6 341 427	3 630 067	57.2	6 333 721	99.9	6 729 977	29.3	3 880 326	57.7
Total	22 413 461	11 711 701	52.3	21 476 064	95.8	22 993 620	100.0	12 630 912	54.9
Economic classification									
Current payments	2 580 720	800 093	31.0	2 561 408	99.3	2 451 516	10.7	695 643	28.4
Compensation of employees	471 235	223 864	47.5	454 375	96.4	477 094	2.1	242 201	50.8
Goods and services	2 063 164	576 229	27.9	2 060 712	99.9	1 925 785	8.4	430 585	22.4
Interest and rent on land	46 321	—	0.0	46 321	100.0	48 637	0.2	22 857	47.0
Transfers and subsidies	17 839 114	10 607 481	59.5	17 845 762	100.0	18 503 826	80.5	11 481 740	62.1
Provinces and municipalities	16 586 230	9 597 654	57.9	16 579 568	100.0	17 154 328	74.6	10 355 760	60.4
Departmental agencies and accounts	1 162 484	968 920	83.3	1 167 459	100.4	134 760	0.6	67 582	50.1
Foreign governments and international organisations	17 314	—	0.0	19 196	110.9	18 472	0.1	—	0.0
Non-profit institutions	72 178	40 000	55.4	76 178	105.5	99 474	0.4	69 413	69.8
Households	908	907	99.9	3 361	370.2	1 096 792	4.8	988 985	90.2

	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Payments for capital assets	1 993 627	303 838	15.2	1 063 493	53.3	2 038 278	8.9	453 175	22.2
Buildings and other fixed structures	1 987 023	301 962	15.2	1 056 751	53.2	2 028 998	8.8	451 257	22.2
Machinery and equipment	6 594	1 876	28.5	6 742	102.2	7 010	0.0	1 846	26.3
Software and other intangible assets	10	–	0.0	–	0.0	2 270	0.0	72	3.2
Payments for financial assets	–	289	–	5 401	–	–	0.0	354	0.0
Total	22 413 461	11 711 701	52.3	21 476 064	95.8	22 993 620	100.0	12 630 912	54.9

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R21.5 billion, or 95.8 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R12.6 billion, or 54.9 per cent of the adjusted appropriation of R23 billion for the year. In comparison, mid-year expenditure in 2016/17 was R11.7 billion, or 52.3 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R919.2 million, or 7.8 per cent. This is mainly due to increased expenditure on the school infrastructure backlogs grant; the education infrastructure grant; and interest and rent on land relating to the public-private partnership unitary fee, which is now paid monthly as opposed to annually, for the department's office accommodation.

Departmental receipts

	2016/17 Audited outcome					2017/18 Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
R thousand										
Departmental receipts	16 001	7 823	48.9	15 521	97.0	7 742	15 189	100.0	9 062	59.7
Sales of goods and services produced by department	1 831	1 143	62.4	2 489	135.9	2 732	2 778	18.3	1 034	37.2
Sales of scrap, waste, arms and other used current goods	170	150	88.2	–	–	–	149	1.0	149	100.0
Transfers received	–	–	–	–	–	–	244	1.6	–	–
Interest, dividends and rent on land	13 767	6 300	45.8	10 382	75.4	5 000	11 682	76.9	7 732	66.2
Sales of capital assets	–	–	–	15	–	10	190	1.3	1	0.5
Transactions in financial assets and liabilities	233	230	98.7	2 635	1 130.9	–	146	1.0	146	100.0
Total	16 001	7 823	48.9	15 521	97.0	7 742	15 189	100.0	9 062	59.7

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R9.1 million, or 59.7 per cent of the adjusted revenue estimate of R15.2 million for the year. In comparison, mid-year revenue in 2016/17 was R7.8 million, or 48.9 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R1.2 million, or 15.8 per cent. This is mainly due to higher interest received on advance payments to implementing agents for the school infrastructure backlogs grant, where delays in implementation have resulted in slow spending.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme								
	2017/18							
	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration								
Households								
Social benefits								
Current	-	-	-	117	-	-	117	117
Employee social benefits	-	-	-	117	-	-	117	117
Curriculum Policy, Support and Monitoring								
Households								
Social benefits								
Current	-	-	-	456	-	-	456	456
Employee social benefits	-	-	-	456	-	-	456	456
Teachers, Education Human Resources and Institutional Development								
Households								
Social benefits								
Current	-	-	-	2	-	-	2	2
Employee social benefits	-	-	-	2	-	-	2	2
Planning, Information and Assessment								
Households								
Social benefits								
Current	-	-	-	425	-	-	425	425
Employee social benefits	-	-	-	425	-	-	425	425

Vote 15

Higher Education and Training

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	52 307 639	52 307 639	(176 136)	176 136
of which:				
Current payments	8 845 780	8 669 644	(176 136)	–
Transfers and subsidies	43 452 720	43 628 444	–	175 724
Payments for capital assets	9 139	9 551	–	412
Direct charge against the National Revenue Fund	16 641 456	15 770 554	(870 902)	–
Executive authority	Minister of Higher Education and Training			
Accounting officer	Director-General of Higher Education and Training			
Website address	www.dhet.gov.za			

Vote purpose

Develop and support a quality higher and vocational education sector. Promote access to higher education, vocational education, and skills development training opportunities.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of students enrolled in higher education institutions per year	University Education	Outcome 5: A skilled and capable workforce to support an inclusive growth path	1 035 000	975 836 ¹	–
Number of doctoral graduates from universities per year	University Education		2 300	2 797 ¹	–
Number of postgraduate graduates per year	University Education		54 000	53 664 ¹	–
Number of first-year students in foundation programmes per year	University Education		34 000	20 942	–
Number of graduates in initial teacher education from universities per year	University Education		19 400	19 400 ¹	–
Number of headcount enrolments in TVET colleges per year	Technical and Vocational Education and Training		710 535	540 075	–
Number of qualifying students in TVET colleges receiving financial assistance per year	Technical and Vocational Education and Training		200 000	146 185	–
Percentage of public TVET college examination centres conducting national examinations and assessments evaluated	Technical and Vocational Education and Training		100%	— ²	–
Number of monitoring and evaluation reports on TVET colleges approved per year	Technical and Vocational Education and Training		2	1	–
Number of new artisans registered for training each year	Skills Development		31 750	2 924	–
Number of artisan learners qualified each year	Skills Development		22 110	1 381	–

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of work-based learning opportunities created per year	Skills Development	Outcome 5: A skilled and capable workforce to support an inclusive growth path	130 000	31 146	–
Number of headcount enrolments in community education and training colleges per year	Community Education and Training		320 000	247 761	–
Percentage of certification rate per year in the general education and training certificate	Community Education and Training		38%	– ²	–

1. Verified data will be available from universities only by the end of October.

2. Data will be available only in the fourth quarter.

Mid-year progress

The department's targets for enrolments at technical and vocational education and training colleges are unlikely to be achieved by the end of 2017/18. The reason for this is that the majority of enrolments have already been accounted for as they take place in the first six months of the year. The annual target of 34 000 first-year students in foundation programmes in higher education institutions will also not be achieved as the target was set high, and no more students will be enrolled in 2017/18.

The department is on track to achieve most of the targets for the remaining selected performance indicators. In line with past trends, the numbers for new artisans, qualified artisans and work-based learning opportunities increase significantly in the second half of the year.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration	403 356	–	–	(3 000)	–	–	(3 000)	400 356
Planning, Policy and Strategy	73 298	–	–	(5 000)	–	–	(5 000)	68 298
University Education	41 943 533	–	–	(11 812)	–	–	(11 812)	41 931 721
Technical and Vocational Education and Training	7 408 249	–	–	51 949	–	–	51 949	7 460 198
Skills Development	244 293	–	–	5 064	–	–	5 064	249 357
Community Education and Training	2 234 910	–	–	(37 201)	–	–	(37 201)	2 197 709
Sub-total	52 307 639	–	–	–	–	–	–	52 307 639
Direct charge against the National Revenue Fund	16 641 456	–	–	–	–	(870 902)	(870 902)	15 770 554
Sector education and training authorities	13 313 165	–	–	–	–	(696 722)	(696 722)	12 616 443
National Skills Fund	3 328 291	–	–	–	–	(174 180)	(174 180)	3 154 111
Total	68 949 095	–	–	–	–	(870 902)	(870 902)	68 078 193
Economic classification								
Current payments	8 845 780	–	–	(176 136)	–	–	(176 136)	8 669 644
Compensation of employees	8 425 378	–	–	(143 071)	–	–	(143 071)	8 282 307
Goods and services	420 402	–	–	(33 065)	–	–	(33 065)	387 337
Transfers and subsidies	60 094 176	–	–	175 724	–	(870 902)	(695 178)	59 398 998
Departmental agencies and accounts	27 043 271	–	–	–	–	(870 902)	(870 902)	26 172 369
Higher education institutions	31 606 841	–	–	(26 323)	–	–	(26 323)	31 580 518
Foreign governments and international organisations	3 489	–	–	–	–	–	–	3 489
Non-profit institutions	1 440 575	–	–	193 976	–	–	193 976	1 634 551
Households	–	–	–	8 071	–	–	8 071	8 071
Payments for capital assets	9 139	–	–	412	–	–	412	9 551
Machinery and equipment	9 139	–	–	(1 311)	–	–	(1 311)	7 828
Software and other intangible assets	–	–	–	1 723	–	–	1 723	1 723
Total	68 949 095	–	–	–	–	(870 902)	(870 902)	68 078 193

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Ministry	33 892	–	–	1 000	–	–	1 000	34 892
Department Management	49 725	–	–	(3 942)	–	–	(3 942)	45 783
Corporate Services	164 093	–	–	(1 650)	–	–	(1 650)	162 443
Office of the Chief Financial Officer	83 412	–	–	292	–	–	292	83 704
Internal Audit	8 551	–	–	1 300	–	–	1 300	9 851
Office Accommodation	63 683	–	–	–	–	–	–	63 683
Total	403 356	–	–	(3 000)	–	–	(3 000)	400 356
Economic classification								
Current payments	398 034	–	–	(3 152)	–	–	(3 152)	394 882
Compensation of employees	222 153	–	–	(3 000)	–	–	(3 000)	219 153
Goods and services	175 881	–	–	(152)	–	–	(152)	175 729
Transfers and subsidies	–	–	–	152	–	–	152	152
Households	–	–	–	152	–	–	152	152
Payments for capital assets	5 322	–	–	–	–	–	–	5 322
Machinery and equipment	5 322	–	–	(1 723)	–	–	(1 723)	3 599
Software and other intangible assets	–	–	–	1 723	–	–	1 723	1 723
Total	403 356	–	–	(3 000)	–	–	(3 000)	400 356

Programme 2: Planning, Policy and Strategy

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management:	3 725	–	–	(1 000)	–	–	(1 000)	2 725
Planning, Policy and Strategy	16 812	–	–	1 000	–	–	1 000	17 812
Human Resource Development, Strategic Planning and Coordination	15 857	–	–	(2 500)	–	–	(2 500)	13 357
Planning, Information, Monitoring and Evaluation Coordination	12 847	–	–	500	–	–	500	13 347
International Relations	16 899	–	–	(2 000)	–	–	(2 000)	14 899
Legal and Legislative Services	7 158	–	–	(1 000)	–	–	(1 000)	6 158
Total	73 298	–	–	(5 000)	–	–	(5 000)	68 298
Economic classification								
Current payments	69 638	–	–	(5 433)	–	–	(5 433)	64 205
Compensation of employees	59 794	–	–	(5 000)	–	–	(5 000)	54 794
Goods and services	9 844	–	–	(433)	–	–	(433)	9 411
Transfers and subsidies	3 489	–	–	21	–	–	21	3 510
Foreign governments and international organisations	3 489	–	–	–	–	–	–	3 489
Households	–	–	–	21	–	–	21	21
Payments for capital assets	171	–	–	412	–	–	412	583
Machinery and equipment	171	–	–	412	–	–	412	583
Total	73 298	–	–	(5 000)	–	–	(5 000)	68 298

Programme 3: University Education

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management:	4 344	–	–	234	–	–	234	4 578
University Education	10 273 855	–	–	(5 000)	–	–	(5 000)	10 268 855
University - Academic Planning and Management	11 347	–	–	(670)	–	–	(670)	10 677
University - Financial Planning and Information Systems	27 647	–	–	(76)	–	–	(76)	27 571
University - Policy and Development	19 499	–	–	(6 300)	–	–	(6 300)	13 199
Teacher Education	31 606 841	–	–	–	–	–	–	31 606 841
University Subsidies	–	–	–	–	–	–	–	–
Total	41 943 533	–	–	(11 812)	–	–	(11 812)	41 931 721

Programme 3: University Education (continued)

Economic classification		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Current payments	71 775	–	–	(11 812)	–	–	(11 812)	59 963
Compensation of employees	65 408	–	–	(12 000)	–	–	(12 000)	53 408
Goods and services	6 367	–	–	188	–	–	188	6 555
Transfers and subsidies	41 871 399	–	–	–	–	–	–	41 871 399
Departmental agencies and accounts	10 255 977	–	–	–	–	–	–	10 255 977
Higher education institutions	31 606 841	–	–	(26 323)	–	–	(26 323)	31 580 518
Non-profit institutions	8 581	–	–	26 323	–	–	26 323	34 904
Payments for capital assets	359	–	–	–	–	–	–	359
Machinery and equipment	359	–	–	–	–	–	–	359
Total	41 943 533	–	–	(11 812)	–	–	(11 812)	41 931 721

Programme 4: Technical and Vocational Education and Training

Subprogramme	2017/18							
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Programme Management:	5 112	–	–	450	–	–	450	5 562
Technical and Vocational Education and Training								
Technical and Vocational Education and Training System	7 089 225	–	–	(9 249)	–	–	(9 249)	7 079 976
Planning and Institutional Support								
Programmes and Qualifications	11 503	–	–	(1 997)	–	–	(1 997)	9 506
National Examination and Assessment	294 754	–	–	60 745	–	–	60 745	355 499
Financial Planning	7 655	–	–	2 000	–	–	2 000	9 655
Total	7 408 249	–	–	51 949	–	–	51 949	7 460 198
Economic classification								
Current payments	6 065 127	–	–	(120 739)	–	–	(120 739)	5 944 388
Compensation of employees	5 910 561	–	–	(88 071)	–	–	(88 071)	5 822 490
Goods and services	154 566	–	–	(32 668)	–	–	(32 668)	121 898
Transfers and subsidies	1 342 462	–	–	172 688	–	–	172 688	1 515 150
Departmental agencies and accounts	14 366	–	–	–	–	–	–	14 366
Non-profit institutions	1 328 096	–	–	167 653	–	–	167 653	1 495 749
Households	–	–	–	5 035	–	–	5 035	5 035
Payments for capital assets	660	–	–	–	–	–	–	660
Machinery and equipment	660	–	–	–	–	–	–	660
Total	7 408 249	–	–	51 949	–	–	51 949	7 460 198

Programme 5: Skills Development

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management: Skills Development	2 163	–	–	600	–	–	600	2 763
SETA Coordination	207 687	–	–	(517)	–	–	(517)	207 170
National Skills Development Services	7 523	–	–	4 981	–	–	4 981	12 504
Quality Development and Promotion	26 920	–	–	–	–	–	–	26 920
Total	244 293	–	–	5 064	–	–	5 064	249 357
Economic classification								
Current payments	112 782	–	–	5 000	–	–	5 000	117 782
Compensation of employees	97 679	–	–	5 000	–	–	5 000	102 679
Goods and services	15 103	–	–	–	–	–	–	15 103
Transfers and subsidies	130 680	–	–	64	–	–	64	130 744
Departmental agencies and accounts	130 680	–	–	–	–	–	–	130 680
Households	–	–	–	64	–	–	64	64
Payments for capital assets	831	–	–	–	–	–	–	831
Machinery and equipment	831	–	–	–	–	–	–	831
Total	244 293	–	–	5 064	–	–	5 064	249 357

Programme 6: Community Education and Training

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management:	1 738	–	–	203	–	–	203	1 941
Community Education and Training	2 055 222	–	–	(29 300)	–	–	(29 300)	2 025 922
Colleges Systems Planning, Institutional Development and Support	166 345	–	–	(156)	–	–	(156)	166 189
Financial Planning	11 605	–	–	(7 948)	–	–	(7 948)	3 657
Total	2 234 910	–	–	(37 201)	–	–	(37 201)	2 197 709
Economic classification								
Current payments	2 128 424	–	–	(40 000)	–	–	(40 000)	2 088 424
Compensation of employees	2 069 783	–	–	(40 000)	–	–	(40 000)	2 029 783
Goods and services	58 641	–	–	–	–	–	–	58 641
Transfers and subsidies	104 690	–	–	2 799	–	–	2 799	107 489
Departmental agencies and accounts	792	–	–	–	–	–	–	792
Non-profit institutions	103 898	–	–	–	–	–	–	103 898
Households	–	–	–	2 799	–	–	2 799	2 799
Payments for capital assets	1 796	–	–	–	–	–	–	1 796
Machinery and equipment	1 796	–	–	–	–	–	–	1 796
Total	2 234 910	–	–	(37 201)	–	–	(37 201)	2 197 709

Direct charges against the National Revenue Fund

		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Sector education and training authorities	13 313 165	–	–	–	–	(696 722)	(696 722)	12 616 443
National Skills Fund	3 328 291	–	–	–	–	(174 180)	(174 180)	3 154 111
Total	16 641 456	–	–	–	–	(870 902)	(870 902)	15 770 554
Economic classification								
Transfers and subsidies	16 641 456	–	–	–	–	(870 902)	(870 902)	15 770 554
Departmental agencies and accounts	16 641 456	–	–	–	–	(870 902)	(870 902)	15 770 554
Total	16 641 456	–	–	–	–	(870 902)	(870 902)	15 770 554

Virements and shifts within votes

Programmes					
1. Administration					
2. Planning, Policy and Strategy					
3. University Education					
4. Technical and Vocational Education and Training					
5. Skills Development					
6. Community Education and Training					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(4 875)	Programme 1		152
Compensation of employees	Vacant posts ¹	(152)	Households	Social benefits	152
	Vacant posts ¹	(21)	Programme 2		21
	Vacant posts	(2 763)	Households	Social benefits	21
	Vacant posts ¹	(64)	Programme 4		2 763
			Compensation of employees	Cost of living adjustments	2 763
			Programme 5		64
			Households	Social benefits	64
			Programme 3		152
Goods and services	Cost containment measures effected on catering, communications, computer services, and travel and subsistence	(152)	Goods and services	Printing and publications, and venues and facilities	152
			Programme 1		1 723
Machinery and equipment	Cost containment measures effected on equipment	(1 723)	Software and other intangible assets	Backup system upgrades in the Government Information Technology Office	1 723
Shifts within the programme as a percentage of the programme budget		2.3%			
Virements to other programmes as a percentage of the programme budget		0.7%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(5 433)	Programme 5		5 000
Compensation of employees	Vacant posts	(5 000)	Compensation of employees	Cost of living adjustments	5 000
Goods and services	Cost containment measures effected mainly on communications, printing, stationery, and travel and subsistence	(412)	Programme 2		412
	Cost containment measures effected on advertising and communication	(21)	Machinery and equipment	ICT upgrades, furniture and ICT equipment for new appointees	412
			Programme 3		21
			Goods and services	Advertising	21
Shifts within the programme as a percentage of the programme budget		2.6%			
Virements to other programmes as a percentage of the programme budget		6.9%			
Programme 3		(38 323)	Programme 4		12 000
Compensation of employees	Vacant posts	(12 000)	Compensation of employees	Cost of living adjustments	12 000
Higher education institutions	Reallocation of funds incorrectly allocated in the 2017 ENE ¹	(26 323)	Programme 3		26 323
			Non-profit institutions	National Institute for the Humanities and Social Sciences ¹	26 323
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 4		(172 703)	Programme 4		140 035
Compensation of employees	Vacant posts ¹	(5 030)	Households	Social benefits	5 030
	Vacant posts ¹	(5)	Households	Social benefits	5
	Technical and vocational education and training colleges ²	(135 000)	Non-profit institutions	Supplementing subsidies for technical and vocational education and training colleges from excess allocation ²	135 000
Goods and services	Cost containment measures effected on catering and communication	(15)	Programme 3		15
	Cost containment measures effected on training and development	(32 653)	Goods and services	Venues and facilities	15
			Programme 4		32 653
			Non-profit institutions	Technical and vocational education and training colleges for the development of lecturing staff ¹	32 653
Shifts within the programme as a percentage of the programme budget		2.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 6		(40 000)	Programme 4		37 201
Compensation of employees	Vacant posts	(37 201)	Compensation of employees	Cost of living adjustments	37 201
	Vacant posts ¹	(2 799)	Programme 6		2 799
			Households	Social benefits	2 799
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		1.7%			
Total		(261 334)			261 334

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation	
Administration	372 738	336 477	90.3	372 713	100.0	400 356	0.6	198 578	49.6	
Planning, Policy and Strategy	71 584	27 982	39.1	56 816	79.4	68 298	0.1	29 298	42.9	
University Education	39 532 493	28 915 521	73.1	39 515 718	100.0	41 931 721	61.6	33 532 161	80.0	
Technical and Vocational Education and Training	6 960 244	3 279 676	47.1	7 029 987	101.0	7 460 198	11.0	3 389 500	45.4	
Skills Development	181 443	90 178	49.7	180 635	99.6	249 357	0.4	120 365	48.3	
Community Education and Training	2 069 777	858 394	41.5	1 981 693	95.7	2 197 709	3.2	1 046 309	47.6	
Subtotal	49 188 279	33 508 228	68.1	49 137 562	99.9	52 307 639	76.8	38 316 211	73.3	
Direct charge against the National Revenue Fund	15 462 170	7 127 910	46.1	15 233 009	98.5	15 770 554	23.2	7 953 809	50.4	
Sector education and training authorities	12 370 513	5 919 020	47.8	12 199 864	98.6	12 616 443	18.5	6 707 139	53.2	
National Skills Fund	3 091 657	1 208 890	39.1	3 033 145	98.1	3 154 111	4.6	1 246 670	39.5	
Total	64 650 449	40 636 138	62.9	64 370 571	99.6	68 078 193	100.0	46 270 020	68.0	
Economic classification										
Current payments	7 948 286	3 857 338	48.5	7 883 158	99.2	8 669 644	12.7	4 147 307	47.8	
Compensation of employees	7 573 712	3 688 540	48.7	7 516 591	99.2	8 282 307	12.2	3 958 468	47.8	
Goods and services	374 574	168 798	45.1	366 567	97.9	387 337	0.6	188 839	48.8	
Transfers and subsidies	56 694 458	36 773 907	64.9	56 477 360	99.6	59 398 998	87.3	42 119 756	70.9	
Departmental agencies and accounts	27 077 895	15 599 770	57.6	26 819 212	99.0	26 172 369	38.4	18 242 663	69.7	
Higher education institutions	27 964 818	20 466 723	73.2	27 964 560	100.0	31 580 518	46.4	23 261 817	73.7	
Foreign governments and international organisations	2 896	2 648	91.4	2 648	91.4	3 489	0.0	–	0.0	
Non-profit institutions	1 641 222	693 825	42.3	1 672 972	101.9	1 634 551	2.4	605 112	37.0	
Households	7 627	10 941	143.5	17 968	235.6	8 071	0.0	10 164	125.9	
Payments for capital assets	7 705	4 893	63.5	9 935	128.9	9 551	0.0	2 957	31.0	
Machinery and equipment	7 705	4 893	63.5	9 877	128.2	7 828	0.0	2 877	36.8	
Software and other intangible assets	–	–	–	58	0.0	1 723	0.0	80	4.6	
Payments for financial assets	–	–	–	118	–	–	0.0	–	–	
Total	64 650 449	40 636 138	62.9	64 370 571	99.6	68 078 193	100.0	46 270 020	68.0	

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R64.4 billion, or 99.6 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R46.3 billion, or 68 per cent of the adjusted appropriation of R68.1 billion for the year. In comparison, mid-year expenditure in 2016/17 was R40.6 billion, or 62.9 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R5.6 billion, or 13.9 per cent. This is mainly due to an increase in allocation to grants to higher education institutions to compensate them for the loss of income resulting from the 0 per cent increase in university fees in 2017; an increase in spending on compensation of employees due to the filling of critical vacant posts; additional allocations to the National Student Financial Aid Scheme to support unfunded students from the 2016 academic year; and increases in the department's municipal and accommodation charges.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	37 883	30 204	79.7	25 549	67.4	12 184	29 065	100.0	15 810	54.4
Sales of goods and services produced by department	10 472	5 396	51.5	10 218	97.6	5 682	10 251	35.3	6 359	62.0
Sales of scrap, waste, arms and other used current goods	–	–	–	44	–	35	158	0.5	123	77.8
Interest, dividends and rent on land	2 538	1 269	50.0	3 433	135.3	5 104	4 426	15.2	2 213	50.0
Transactions in financial assets and liabilities	24 873	23 539	94.6	11 854	47.7	1 363	14 230	49.0	7 115	50.0
Total	37 883	30 204	79.7	25 549	67.4	12 184	29 065	100.0	15 810	54.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R15.8 million, or 54.4 per cent of the adjusted revenue estimate of R29.1 million for the year. In comparison, mid-year revenue in 2016/17 was R30.2 million, or 79.7 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R14.4 million, or 47.7 per cent. This is mainly due to a decrease in revenue earned on financial assets as a result of a correction to a journal entry made in the previous period.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Administration							
Households							
Social benefits							
Current	–	–	–	152	–	–	152
Employee social benefits	–	–	–	152	–	–	152
Planning, Policy and Strategy							
Households							
Social benefits							
Current	–	–	–	21	–	–	21
Employee social benefits	–	–	–	21	–	–	21
University Education							
Higher education institutions							
Current	27 722 073	–	–	(26 323)	–	–	(26 323)
University subsidies	27 722 073	–	–	(26 323)	–	–	(26 323)
Non-profit institutions							
Current	–	–	–	26 323	–	–	26 323
National Institute for the Humanities and Social Sciences	–	–	–	26 323	–	–	26 323
Technical and Vocational Education and Training							
Non-profit institutions							
Current	1 328 096	–	–	167 653	–	–	167 653
Other	1 328 096	–	–	167 653	–	–	167 653
Households							
Social benefits							
Current	–	–	–	5 035	–	–	5 035
Employee social benefits	–	–	–	5 035	–	–	5 035
Skills Development							
Households							
Social benefits							
Current	–	–	–	64	–	–	64
Employee social benefits	–	–	–	64	–	–	64
Community Education and Training							
Households							
Social benefits							
Current	–	–	–	2 799	–	–	2 799
Employee social benefits	–	–	–	2 799	–	–	2 799

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

2017/18								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Direct charge against the National Revenue Fund								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	16 641 456	–	–	–	–	(870 902)	(870 902)	15 770 554
Sector education and training authorities	13 313 165	–	–	–	–	(696 722)	(696 722)	12 616 443
National Skills Fund	3 328 291	–	–	–	–	(174 180)	(174 180)	3 154 111

Vote 16

Health

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	42 625 723	42 645 557	(166 177)	186 011
Current payments	2 404 684	2 590 616	–	185 932
Transfers and subsidies	39 355 426	39 282 084	(73 342)	–
Payments for capital assets	865 613	772 778	(92 835)	–
Payments for financial assets	–	79	–	79
Executive authority	Minister of Health			
Accounting officer	Director-General of Health			
Website address	www.health.gov.za			

Vote purpose

Provide leadership and coordination of health services to promote the health of all people in South Africa through an accessible, caring and high quality health system based on the primary health care approach.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Total number of primary health care facilities implementing improved patient administration and web-based information systems ⁴	National Health Insurance, Health Planning and Systems Enablement	Outcome 2: A long and healthy life for all South Africans	2 450	1 967	–
Total number of health facilities reporting medicine stock availability at national surveillance centre ⁴	National Health Insurance, Health Planning and Systems Enablement		3 261	3 272	–
Total number of patients receiving medicine through the centralised chronic medicine dispensing and distribution system ⁴	National Health Insurance, Health Planning and Systems Enablement		950 000	1 522 453	–
Percentage of human papillomavirus immunisation first dose coverage per year ^{2, 4}	HIV and AIDS, Tuberculosis, and Maternal and Child Health		87%	73.6%	–
Total number of clients remaining on antiretroviral treatment at the end of the year ⁴	HIV and AIDS, Tuberculosis, and Maternal and Child Health		4.5 million	3.87 million	–
Tuberculosis new client treatment success rate ¹	HIV and AIDS, Tuberculosis, and Maternal and Child Health		86%	86.1%	–
Infant polymerase chain reaction test positive around 10 weeks rate per year ³	HIV and AIDS, Tuberculosis, and Maternal and Child Health		1.35%	1.04%	–
Total number of functional ward-based primary health care outreach teams ⁴	Primary Health Care Services		2 000	3 519	–
Number of additional primary health care facilities in the 52 districts that qualify as ideal clinics per year ⁴	Primary Health Care Services		750	1 037	–
Total number of commercial points of entry that provide port health services that are compliant with international health regulations ⁴	Primary Health Care Services		10 ⁵	2	–
Number of facilities maintained, repaired and/or refurbished in national health insurance districts ⁴	Hospitals, Tertiary Health Services and Human Resource Development		197	171	–
Percentage of backlog eliminated for blood alcohol tests ⁴	Hospitals, Tertiary Health Services and Human Resource Development		100%	30.5%	–

1. Data incomplete due to reporting delays from health facilities in several provinces. Actual performance is likely to be higher.

2. Indicator reported on with a lag of one year.

3. Indicator for mother-to-child transmission of HIV, which shows the infants tested positive for HIV within 10 weeks as a proportion of all live births by HIV-positive mothers.

4. Only data for the first four months of 2017/18 are currently available. This is due to the data flow policy that provides for a 45-day period after the end of each month of for data transmitted from all health facilities to reach the department following verification by sub-districts, districts and provinces.

5. Target changed to align with the department's 2017/18 annual performance plan, which was finalised after the 2017/18 ENE had been published.

Mid-year progress

There have been concerted efforts by the department in partnership with provincial departments of health to scale up various initiatives to strengthen the health system, which has resulted in several targets being exceeded in the first six months of 2017/18.

The standardised patient administration and web-based information system has already been rolled out to 1 967 public health care facilities, and 3 272 health facilities (3 081 public health care facilities and 191 hospitals) report their stock availability to the national surveillance centre. These partnerships have also influenced the marked increase in the number of patients enrolled on the centralised chronic medicine dispensing and distribution system. 1 522 453 patients were enrolled in the first half of the year, exceeding the annual target of 950 000 by 572 453 in the first six months of 2017/18.

The first round of the 2018 human papillomavirus vaccination campaign took place in February and March 2017, and 73.6 per cent first-dose coverage was achieved in this period. It is anticipated that the target of 87 per cent first-dose coverage will be achieved by the end of 2017/18 after the second round of the campaign.

3.87 million patients were on antiretroviral treatment after the first four months of 2017/18 against the annual target of 4.5 million. This target is expected to be achieved in 2017/18 through the universal test and treat campaign.

In the first four months of 2017/18, 2 commercial points of entry were found to provide port health services compliant with international health regulations. This is in line with the department's annual performance plan, to conduct a baseline audit and a plan of action in the first half of the year.

There were 3 519 functional ward-based outreach teams as at the end of July 2017, which already exceeds the annual target of 2 000. Significant progress has also been made in the Ideal Clinic programme, as 1 037 public health care facilities have reached ideal clinic status against the annual target of 750 clinics. The high performance relative to the annual target is due to the department's concerted efforts to address weaknesses in all health facilities.

In the first half of the year, mother-to-child transmission of HIV declined to 1.04 per cent, compared to the annual target of 1.35 per cent. This achievement was as a result of focused interventions in the 17 districts that had transmission rates of greater than 1.5 per cent.

In terms of number of facilities maintained, repaired and/or refurbished in national health insurance districts, 171 facilities have projects under implementation. These were planned to be fast-tracked in the half of the financial year. Most of these projects are expected to be completed by the end of 2017/18.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	512 838	–	–	2 000	–	–	2 000	514 838
National Health Insurance, Health Planning and Systems Enablement	735 087	–	–	199 600	–	–	199 600	934 687
HIV and AIDS, Tuberculosis, and Maternal and Child Health	18 278 344	–	19 834	(400)	–	–	19 434	18 297 778
Primary Health Care Services	264 299	–	–	(400)	–	–	(400)	263 899
Hospitals, Tertiary Health Services and Human Resource Development	21 108 184	–	–	(200 400)	–	–	(200 400)	20 907 784
Health Regulation and Compliance Management	1 726 971	–	–	(400)	–	–	(400)	1 726 571
Total	42 625 723	–	19 834	–	–	–	19 834	42 645 557

Economic classification		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Current payments	2 404 684	–	–	185 932	–	–	185 932	2 590 616
Compensation of employees	760 032	–	–	113 326	–	–	113 326	873 358
Goods and services	1 644 652	–	–	72 606	–	–	72 606	1 717 258
Transfers and subsidies	39 355 426	–	19 834	(93 176)	–	–	(73 342)	39 282 084
Provinces and municipalities	37 520 392	–	19 834	30 000	–	–	49 834	37 570 226
Departmental agencies and accounts	1 649 797	–	–	(133 648)	–	–	(133 648)	1 516 149
Non-profit institutions	185 237	–	–	8 500	–	–	8 500	193 737
Households	–	–	–	1 972	–	–	1 972	1 972
Payments for capital assets	865 613	–	–	(92 835)	–	–	(92 835)	772 778
Buildings and other fixed structures	714 646	–	–	(70 662)	–	–	(70 662)	643 984
Machinery and equipment	145 967	–	–	(22 173)	–	–	(22 173)	123 794
Software and other intangible assets	5 000	–	–	–	–	–	–	5 000
Payments for financial assets	–	–	–	79	–	–	79	79
Total	42 625 723	–	19 834	–	–	–	19 834	42 645 557

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Ministry	31 840	–	–	–	–	–	–	31 840
Management	19 646	–	–	(80)	–	–	(80)	19 566
Corporate Services	232 421	–	–	3 080	–	–	3 080	235 501
Office Accommodation	165 179	–	–	–	–	–	–	165 179
Financial Management	63 752	–	–	(1 000)	–	–	(1 000)	62 752
Total	512 838	–	–	2 000	–	–	2 000	514 838
Economic classification								
Current payments	505 989	–	–	1 561	–	–	1 561	507 550
Compensation of employees	197 170	–	–	–	–	–	–	197 170
Goods and services	308 819	–	–	1 561	–	–	1 561	310 380
Transfers and subsidies	2 252	–	–	425	–	–	425	2 677
Departmental agencies and accounts	2 252	–	–	–	–	–	–	2 252
Households	–	–	–	425	–	–	425	425
Payments for capital assets	4 597	–	–	–	–	–	–	4 597
Machinery and equipment	4 597	–	–	–	–	–	–	4 597
Payments for financial assets	–	–	–	14	–	–	14	14
Total	512 838	–	–	2 000	–	–	2 000	514 838

Programme 2: National Health Insurance, Health Planning and Systems Enablement

Programme of National Health Insurance, Health Planning and Systems Enhancement								
Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Programme Management	3 752	–	–	200	–	–	200	3 952
Technical Policy and Planning	97 961	–	–	(200)	–	–	(200)	97 761
Health Information Management, Monitoring and Evaluation	67 533	–	–	(400)	–	–	(400)	67 133
Sector-Wide Procurement	139 445	–	–	–	–	–	–	139 445
Health Financing and National Health Insurance	346 709	–	–	200 000	–	–	200 000	546 709
International Health and Development	79 687	–	–	–	–	–	–	79 687
Total	735 087	–	–	199 600	–	–	199 600	934 687
Economic classification								
Current payments	700 068	–	–	122 377	–	–	122 377	822 445
Compensation of employees	114 740	–	–	–	–	–	–	114 740
Goods and services	585 328	–	–	122 377	–	–	122 377	707 705
Transfers and subsidies	28 401	–	–	315	–	–	315	28 716
Non-profit institutions	28 401	–	–	–	–	–	–	28 401
Households	–	–	–	315	–	–	315	315
Payments for capital assets	6 618	–	–	76 908	–	–	76 908	83 526
Machinery and equipment	1 618	–	–	76 908	–	–	76 908	78 526
Software and other intangible assets	5 000	–	–	–	–	–	–	5 000
Total	735 087	–	–	199 600	–	–	199 600	934 687

Programme 3: HIV and AIDS, Tuberculosis, and Maternal and Child Health

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management	6 458	–	–	–	–	–	–	6 458
HIV and AIDS	18 004 547	–	19 834	–	–	–	19 834	18 024 381
Tuberculosis	26 498	–	–	(200)	–	–	(200)	26 298
Women's Maternal and Reproductive Health	18 390	–	–	(200)	–	–	(200)	18 190
Child, Youth and School Health	222 451	–	–	–	–	–	–	222 451
Total	18 278 344	–	19 834	(400)	–	–	19 434	18 297 778
Economic classification								
Current payments	532 751	–	–	(9 066)	–	–	(9 066)	523 685
Compensation of employees	79 420	–	–	–	–	–	–	79 420
Goods and services	453 331	–	–	(9 066)	–	–	(9 066)	444 265
Transfers and subsidies	17 729 326	–	19 834	8 661	–	–	28 495	17 757 821
Provinces and municipalities	17 557 903	–	19 834	–	–	–	19 834	17 577 737
Departmental agencies and accounts	17 547	–	–	–	–	–	–	17 547
Non-profit institutions	153 876	–	–	8 500	–	–	8 500	162 376
Households	–	–	–	161	–	–	161	161
Payments for capital assets	16 267	–	–	–	–	–	–	16 267
Machinery and equipment	16 267	–	–	–	–	–	–	16 267
Payments for financial assets	–	–	–	5	–	–	5	5
Total	18 278 344	–	19 834	(400)	–	–	19 434	18 297 778

Programme 4: Primary Health Care Services

Subprogramme		2017/18						Adjusted Appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management	3 136	–	–	–	–	–	–	3 136
District Health Services	46 266	–	–	–	–	–	–	46 266
Communicable Diseases	21 923	–	–	(200)	–	–	(200)	21 723
Non-Communicable Diseases	22 491	–	–	–	–	–	–	22 491
Health Promotion and Nutrition	26 456	–	–	(200)	–	–	(200)	26 256
Environmental and Port Health Services	144 027	–	–	–	–	–	–	144 027
Total	264 299	–	–	(400)	–	–	(400)	263 899
Economic classification								
Current payments	256 084	–	–	(466)	–	–	(466)	255 618
Compensation of employees	185 583	–	–	–	–	–	–	185 583
Goods and services	70 501	–	–	(466)	–	–	(466)	70 035
Transfers and subsidies	2 960	–	–	55	–	–	55	3 015
Non-profit institutions	2 960	–	–	–	–	–	–	2 960
Households	–	–	–	55	–	–	55	55
Payments for capital assets	5 255	–	–	–	–	–	–	5 255
Machinery and equipment	5 255	–	–	–	–	–	–	5 255
Payments for financial assets	–	–	–	11	–	–	11	11
Total	264 299	–	–	(400)	–	–	(400)	263 899

Programme 5: Hospitals, Tertiary Health Services and Human Resource Development

Subprogramme		2017/18						Adjusted Appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management	3 692	–	–	–	–	–	–	3 692
Health Facilities Infrastructure Management	6 623 670	–	–	(200 000)	–	–	(200 000)	6 423 670
Tertiary Health Care Planning and Policy	11 680 763	–	–	–	–	–	–	11 680 763
Hospital Management	5 155	–	–	(200)	–	–	(200)	4 955
Human Resources for Health	2 653 788	–	–	–	–	–	–	2 653 788
Nursing Services	6 562	–	–	–	–	–	–	6 562
Forensic Chemistry Laboratories	127 405	–	–	–	–	–	–	127 405
Violence, Trauma and EMS	7 149	–	–	(200)	–	–	(200)	6 949
Total	21 108 184	–	–	(200 400)	–	–	(200 400)	20 907 784

Programme 5: Hospitals, Tertiary Health Services and Human Resource Development (continued)

Programme of Expenditure, Revenue, Human Services and Human Resource Development (continued)								
Economic classification		2017/18						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	315 518	–	–	(60 867)	–	–	(60 867)	254 651
Compensation of employees	128 470	–	–	–	–	–	–	128 470
Goods and services	187 048	–	–	(60 867)	–	–	(60 867)	126 181
Transfers and subsidies	19 962 489	–	–	30 766	–	–	30 766	19 993 255
Provinces and municipalities	19 962 489	–	–	30 000	–	–	30 000	19 992 489
Households	–	–	–	766	–	–	766	766
Payments for capital assets	830 177	–	–	(170 305)	–	–	(170 305)	659 872
Buildings and other fixed structures	714 646	–	–	(70 662)	–	–	(70 662)	643 984
Machinery and equipment	115 531	–	–	(99 643)	–	–	(99 643)	15 888
Payments for financial assets	–	–	–	6	–	–	6	6
Total	21 108 184	–	–	(200 400)	–	–	(200 400)	20 907 784

Programme 6: Health Regulation and Compliance Management

Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Programme Management	4 532	–	–	–	–	–	–	4 532
Food Control	11 728	–	–	(200)	–	–	(200)	11 528
Radiation Control and Health Technology	18 956	–	–	133 448	–	–	133 448	152 404
Public Entities Management	1 630 082	–	–	(133 648)	–	–	(133 648)	1 496 434
Compensation Commissioner for Occupational Diseases and Occupational Health	61 673	–	–	–	–	–	–	61 673
Total	1 726 971	–	–	(400)	–	–	(400)	1 726 571
Economic classification								
Current payments	94 274	–	–	132 393	–	–	132 393	226 667
Compensation of employees	54 649	–	–	113 326	–	–	113 326	167 975
Goods and services	39 625	–	–	19 067	–	–	19 067	58 692
Transfers and subsidies	1 629 998	–	–	(133 398)	–	–	(133 398)	1 496 600
Departmental agencies and accounts	1 629 998	–	–	(133 648)	–	–	(133 648)	1 496 350
Households	–	–	–	250	–	–	250	250
Payments for capital assets	2 699	–	–	562	–	–	562	3 261
Machinery and equipment	2 699	–	–	562	–	–	562	3 261
Payments for financial assets	–	–	–	43	–	–	43	43
Total	1 726 971	–	–	(400)	–	–	(400)	1 726 571

Details of adjustments to Estimates of National Expenditure 2017**Unforeseeable and unavoidable expenditure – R19.834 million**

Programme 3: HIV and AIDS, Tuberculosis, and Maternal and Child Health

An additional R19.834 million has been allocated to the vote for the comprehensive HIV, AIDS and tuberculosis grant to support the malaria programme in response to the malaria outbreaks in Limpopo and Mpumalanga in April and May 2017.

Virements and shifts within votes

Programmes

1. Administration
2. National Health Insurance, Health Planning and Systems Enablement
3. HIV and AIDS, Tuberculosis, and Maternal and Child Health
4. Primary Health Care Services
5. Hospitals, Tertiary Health Services and Human Resource Development
6. Health Regulation and Compliance Management

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(439)	Programme 1		439
Goods and services	Cost containment measures effected on minor assets and stationery	(425)	Households	Leave gratuities	425
	Cost containment measures effected on stationery	(14)	Payments for financial assets	Theft and losses	14
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(77 623)	Programme 1		400
Goods and services	Cost containment measures effected on business and advisory services, and science and technological services	(400)	Goods and services	Printing costs	400
	Cost containment measures effected on advertising, business and advisory services, and minor assets	(315)	Programme 2		77 223
	National health insurance indirect grant ²	(76 908)	Households	Leave gratuities	315
			Machinery and equipment	Capital equipment and hardware (computers and office equipment) in the national health insurance indirect grant	76 908
Shifts within the programme as a percentage of the programme budget		10.5%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Programme 3		(9 066)	Programme 1		400
Goods and services	Cost containment measures effected on business and advisory services, and operating payments	(400)	Goods and services	Printing costs	400
	Cost containment measures effected on advertising, and travel and subsistence	(161)	Programme 3		8 666
	Cost containment measures effected on minor assets	(5)	Households	Leave gratuities	161
	Reallocation of funds incorrectly allocated in the 2017 ENE ¹	(8 500)	Payments for financial assets	Theft and losses	5
			Non-profit institutions	Transfer payment to Universities South Africa ¹	8 500
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 4		(466)	Programme 1		400
Goods and services	Cost containment measures effected on travel and subsistence	(400)	Goods and services	Printing costs	400
	Cost containment measures effected on travel and subsistence	(55)	Programme 4		66
	Cost containment measures effected on travel and subsistence	(11)	Households	Leave gratuities	55
			Payments for financial assets	Theft and losses	11
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.2%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 5		(231 172)	Programme 1		400
Goods and services	Cost containment measures effected on travel and subsistence	(400)	Goods and services	Printing costs	400
	Reclassification of funds incorrectly classified in the 2017 ENE ²	(29 695)	Programme 2		29 695
	Cost containment measures effected on contractors and travel and subsistence	(766)	Goods and services	Health professionals, and centralised chronic medicine dispensing and distribution in the national health insurance indirect grant	29 695
	Cost containment measures effected on advertising	(6)	Programme 5		30 772
	Reclassification of funds incorrectly classified in the 2017 ENE ²	(30 000)	Households	Leave gratuities	766
Buildings and other fixed structures	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(70 662)	Payments for financial assets	Theft and losses	6
			Provinces and municipalities	Infrastructure projects in the national health insurance indirect grant	30 000
Machinery and equipment			Programme 2		170 305
			Goods and services	Health professionals, and centralised chronic medicine dispensing and distribution in the national health insurance indirect grant	70 662
			Goods and services	Health professionals, and centralised chronic medicine dispensing and distribution in the national health insurance indirect grant	99 643
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.9%			
Programme 6		(134 230)	Programme 1		400
Goods and services	Cost containment measures effected on administrative fees	(400)	Goods and services	Printing costs	400
	Cost containment measures effected on minor assets, and travel and subsistence	(167)	Programme 6		133 830
	Cost containment measures effected on minor assets	(15)	Households	Leave gratuities	167
Departmental agencies and accounts	Reallocation of funds for South African Health Products Regulatory Authority ¹	(83)	Payments for financial assets	Theft and losses	15
	Reallocation of funds for South African Health Products Regulatory Authority ¹	(28)	Households	Leave gratuities	83
	Reallocation of funds due delays in the amendment of the Medicines and related Substance Act (1965) ²	(113 326)	Payments for financial assets	Theft and losses	28
	Reallocation of funds due delays in the amendment of the Medicines and related Substance Act (1965) ¹	(19 649)	Compensation of employees	South African Health Products Regulatory Authority ¹	113 326
	Reallocation of funds due delays in the amendment of the Medicines and related Substance Act (1965) ¹	(562)	Goods and services	South African Health Products Regulatory Authority	19 649
			Machinery and equipment	South African Health Products Regulatory Authority	562
Shifts within the programme as a percentage of the programme budget		7.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(452 996)			452 996

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of Adjusted Appropriation
Administration	461 964	226 506	49.0	442 877	95.9	514 838	1.2	233 048	45.3
National Health Insurance, Health Planning and Systems Enablement	588 620	300 794	51.1	679 170	115.4	934 687	2.2	343 587	36.8
HIV and AIDS, Tuberculosis, and Maternal and Child Health	16 009 609	7 804 414	48.7	15 965 182	99.7	18 297 778	42.9	9 042 436	49.4
Primary Health Care Services	256 539	108 711	42.4	225 731	88.0	263 899	0.6	116 432	44.1
Hospitals, Tertiary Health Services and Human Resource Development	19 573 998	9 628 319	49.2	19 468 716	99.5	20 907 784	49.0	10 583 793	50.6
Health Regulation and Compliance Management	1 706 686	843 006	49.4	1 714 510	100.5	1 726 571	4.0	792 350	45.9
Total	38 597 416	18 911 750	49.0	38 496 186	99.7	42 645 557	100.0	21 111 646	49.5
Economic classification									
Current payments	2 341 574	1 039 165	44.4	2 234 739	95.4	2 590 616	6.1	1 032 706	39.9
Compensation of employees	857 398	417 111	48.6	837 269	97.7	873 358	2.0	374 406	42.9
Goods and services	1 484 176	622 054	41.9	1 397 470	94.2	1 717 258	4.0	658 300	38.3
Transfers and subsidies	35 664 565	17 593 112	49.3	35 659 990	100.0	39 282 084	92.1	19 810 771	50.4
Provinces and municipalities	33 981 012	16 801 854	49.4	33 981 012	100.0	37 570 226	88.1	18 957 445	50.5
Departmental agencies and accounts	1 494 669	737 303	49.3	1 497 348	100.2	1 516 149	3.6	747 455	49.3
Higher education institutions	3 304	–	0.0	–	0.0	–	0.0	–	–
Foreign governments and international organisations	14 370	–	0.0	16 031	111.6	–	0.0	–	–
Non-profit institutions	167 249	51 526	30.8	161 670	96.7	193 737	0.5	104 264	53.8
Households	3 961	2 429	61.3	3 929	99.2	1 972	0.0	1 607	81.5
Payments for capital assets	590 977	279 114	47.2	600 798	101.7	772 778	1.8	268 091	34.7
Buildings and other fixed structures	471 883	269 675	57.1	574 044	121.6	643 984	1.5	265 236	41.2
Machinery and equipment	119 094	9 439	7.9	24 575	20.6	123 794	0.3	2 855	2.3
Software and other intangible assets	–	–	–	2 179	–	5 000	0.0	–	0.0
Payments for financial assets	300	359	119.7	659	219.7	79	0.0	78	98.7
Total	38 597 416	18 911 750	49.0	38 496 186	99.7	42 645 557	100.0	21 111 646	49.5

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R38.5 billion, or 99.7 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R21.1 billion, or 49.5 per cent of the adjusted appropriation of R42.6 billion for the year. In comparison, mid-year expenditure in 2016/17 was R18.9 billion, or 49 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R2.2 billion, or 11.6 per cent. This was mainly due to improved performance in the national health insurance indirect grant.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	69 125	34 548	50.0	59 233	85.7	8 112	59 524	100.0	54 361	91.3
Sales of goods and services produced by department	63 867	31 919	50.0	54 298	85.0	4 658	53 078	89.2	49 306	92.9
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	4	4	0.0	2	50.0
Interest, dividends and rent on land	3 718	1 859	50.0	3 627	97.6	2 500	2 500	4.2	1 343	53.7
Transactions in financial assets and liabilities	1 540	770	50.0	1 308	84.9	950	3 942	6.6	3 710	94.1
Total	69 125	34 548	50.0	59 233	85.7	8 112	59 524	100.0	54 361	91.3

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R54.4 million, or 91.3 per cent of the adjusted revenue estimate of R59.5 million for the year. In comparison, mid-year revenue in 2016/17 was R34.5 million, or 50 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R19.8 million, or 57.3 per cent. This is mainly due to the department's expanded mandate to regulate certain health products in addition to orthodox medicine.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Administration							
Households							
Social benefits							
Current	–	–	–	425	–	–	425
Employee social benefits	–	–	–	425	–	–	425
National Health Insurance, Health Planning and Systems Enablement							
Households							
Social benefits							
Current	–	–	–	315	–	–	315
Employee social benefits	–	–	–	315	–	–	315
HIV and AIDS, Tuberculosis, and Maternal and Child Health							
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	17 557 903	–	19 834	–	–	–	19 834
Comprehensive HIV, AIDS and tuberculosis grant	17 557 903	–	19 834	–	–	–	19 834
Non-profit institutions							
Current	–	–	–	8 500	–	–	8 500
Universities South Africa	–	–	–	8 500	–	–	8 500
Households							
Social benefits							
Current	–	–	–	161	–	–	161
Employee social benefits	–	–	–	161	–	–	161
Primary Health Care Services							
Households							
Social benefits							
Current	–	–	–	55	–	–	55
Employee social benefits	–	–	–	55	–	–	55

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

2017/18								
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Hospitals, Tertiary Health Services and Human Resource Development Provinces and municipalities Provinces								
Provincial Revenue Funds								
Capital	5 654 495	–	–	30 000	–	–	30 000	5 684 495
Health facility revitalisation grant	5 654 495	–	–	30 000	–	–	30 000	5 684 495
Households								
Social benefits								
Current	–	–	–	766	–	–	766	766
Employee social benefits	–	–	–	766	–	–	766	766
Health Regulation and Compliance Management								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	133 648	–	–	(133 648)	–	–	(133 648)	–
South African Health Product Regulatory Authority	133 648	–	–	(133 648)	–	–	(133 648)	–
Households								
Social benefits								
Current	–	–	–	250	–	–	250	250
Employee social benefits	–	–	–	250	–	–	250	250

Summary of changes to conditional grants: Provinces

2017/18								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
HIV and AIDS, Tuberculosis, and Maternal and Child Health	17 557 903	–	19 834	–	–	–	19 834	17 577 737
Comprehensive HIV, AIDS and tuberculosis grant	17 557 903	–	19 834	–	–	–	19 834	17 577 737
Hospitals, Tertiary Health Services and Human Resource Development	19 962 489	–	–	30 000	–	–	30 000	19 992 489
Health facility revitalisation grant	5 654 495	–	–	30 000	–	–	30 000	5 684 495

Vote 17

Social Development

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	160 707 768	160 357 768	(735 400)	385 400
of which:				
Current payments	863 370	860 393	(2 977)	–
Transfers and subsidies	159 833 252	159 100 829	(732 423)	–
Payments for capital assets	11 146	11 146	–	–
Payments for financial assets	–	385 400	–	385 400
Executive authority	Minister of Social Development			
Accounting officer	Director-General of Social Development			
Website address	www.dsd.gov.za			

Vote purpose

Ensure protection against vulnerability by creating an enabling environment for the provision of a comprehensive, integrated and sustainable social development service.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Total number of old age grant beneficiaries	Social Assistance	Outcome 13: An inclusive and responsive social protection system	3.4 million	3.3 million	–
Total number of war veterans grant beneficiaries	Social Assistance		124	159	–
Total number of disability grant beneficiaries	Social Assistance		1.061 million	1.063 million	–
Total number of child support grant beneficiaries	Social Assistance		12.3 million	12.1 million	–
Total number of foster care grant beneficiaries	Social Assistance		420 248	468 064	–
Total number of care dependency grant beneficiaries	Social Assistance		150 296	146 471	–
Total number of grant-in-aid beneficiaries	Social Assistance		187 841	175 231	–
Percentage of appeals per year adjudicated within 90 days	Social Security Policy and Administration		80%	98% (609/623)	–
Number of youth awarded scholarships into the social service field per year	Welfare Services Policy Development and Implementation Support		2 354	2 354	–
Number of persons working with children screened against the child protection register per year	Welfare Services Policy Development and Implementation Support		80 000	48 640	–
Percentage of non-profit organisations' registration applications processed within two months of receipt	Social Policy and Integrated Service Delivery		100%	99% (16 290/16 482)	–
Number of vulnerable individuals accessing food through a network of community nutrition and development centres per year	Social Policy and Integrated Service Delivery		415 000	138 056	–

Mid-year progress

At the end of September 2017, 17.2 million beneficiaries were receiving social grants. Although performance related to the foster care grant seems to be exceeding the annual target, there is typically a decline in the fourth quarter because of a decrease in the number of eligible beneficiaries, as 18-year-olds are no longer eligible for the grant unless they are still in school.

The department has met its target for awarding social service scholarships as students are enrolled at the beginning of the financial year.

Due to delays in making transfer payments to implementing agents for the food relief programme, the number of vulnerable individuals accessing food through a network of community nutrition and development centres is below target. The department will focus on ensuring it meets its annual target.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18						
	Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Administration	350 788	–	–	18 000	–	–	18 000
Social Assistance	151 580 232	–	–	–	(350 000)	–	(350 000)
Social Security Policy and Administration	7 332 637	–	–	(9 000)	–	–	(9 000)
Welfare Services Policy Development and Implementation Support	1 055 255	–	–	(5 000)	–	–	(5 000)
Social Policy and Integrated Service Delivery	388 856	–	–	(4 000)	–	–	(4 000)
Total	160 707 768	–	–	–	(350 000)	–	(350 000)
Economic classification							
Current payments	863 370	–	–	(2 977)	–	–	(2 977)
Compensation of employees	476 811	–	–	–	–	–	–
Goods and services	386 559	–	–	(2 977)	–	–	(2 977)
Transfers and subsidies	159 833 252	–	–	(382 423)	(350 000)	–	(732 423)
Provinces and municipalities	556 392	–	–	–	–	–	–
Departmental agencies and accounts	7 408 459	–	–	–	–	–	–
Higher education institutions	–	–	–	477	–	–	477
Foreign governments and international organisations	4 465	–	–	2 500	–	–	2 500
Non-profit institutions	132 614	–	–	–	–	–	–
Households	151 731 322	–	–	(385 400)	(350 000)	–	(735 400)
Payments for capital assets	11 146	–	–	–	–	–	–
Machinery and equipment	10 620	–	–	–	–	–	–
Software and other intangible assets	526	–	–	–	–	–	–
Payments for financial assets	–	–	–	385 400	–	–	385 400
Total	160 707 768	–	–	–	(350 000)	–	(350 000)

Programme 1: Administration

Subprogramme	2017/18						
	Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Ministry	36 018	–	–	–	–	–	–
Department Management	68 504	–	–	–	–	–	–
Corporate Management	137 642	–	–	9 000	–	–	9 000
Finance	60 020	–	–	5 000	–	–	5 000
Internal Audit	14 346	–	–	–	–	–	–
Office Accommodation	34 258	–	–	4 000	–	–	4 000
Total	350 788	–	–	18 000	–	–	18 000
Economic classification							
Current payments	346 273	–	–	18 000	–	–	18 000
Compensation of employees	193 366	–	–	–	–	–	–
Goods and services	152 907	–	–	18 000	–	–	18 000
Transfers and subsidies	1 929	–	–	–	–	–	–
Departmental agencies and accounts	1 486	–	–	–	–	–	–
Households	443	–	–	–	–	–	–
Payments for capital assets	2 586	–	–	–	–	–	–
Machinery and equipment	2 060	–	–	–	–	–	–
Software and other intangible assets	526	–	–	–	–	–	–
Total	350 788	–	–	18 000	–	–	18 000

Programme 2: Social Assistance

Subprogramme		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Old Age	64 456 265	–	–	–	–	–	–	64 456 265
War Veterans	2 935	–	–	–	–	–	–	2 935
Disability	21 151 940	–	–	–	(200 000)	–	(200 000)	20 951 940
Foster Care	5 349 250	–	–	–	–	–	–	5 349 250
Care Dependency	2 939 454	–	–	–	–	–	–	2 939 454
Child Support	56 286 912	–	–	–	(150 000)	–	(150 000)	56 136 912
Grant-in-Aid	793 476	–	–	–	–	–	–	793 476
Social Relief of Distress	600 000	–	–	–	–	–	–	600 000
Total	151 580 232	–	–	–	(350 000)	–	(350 000)	151 230 232
Economic classification								
Transfers and subsidies	151 580 232	–	–	(385 400)	(350 000)	–	(735 400)	150 844 832
Households	151 580 232	–	–	(385 400)	(350 000)	–	(735 400)	150 844 832
Payments for financial assets	–	–	–	385 400	–	–	385 400	385 400
Total	151 580 232	–	–	–	(350 000)	–	(350 000)	151 230 232

Programme 3: Social Security Policy and Administration

Programme 6: Social Security Policy and Administration								
Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Social Security Policy	78 985	–	–	(3 000)	–	–	(3 000)	75 985
Development								
Appeals Adjudication	42 007	–	–	(5 000)	–	–	(5 000)	37 007
Social Grants Administration	7 144 341	–	–	–	–	–	–	7 144 341
Social Grants Fraud Investigations	61 719	–	–	–	–	–	–	61 719
Programme Management	5 585	–	–	(1 000)	–	–	(1 000)	4 585
Total	7 332 637	–	–	(9 000)	–	–	(9 000)	7 323 637
Economic classification								
Current payments	121 696	–	–	(11 500)	–	–	(11 500)	110 196
Compensation of employees	65 951	–	–	–	–	–	–	65 951
Goods and services	55 745	–	–	(11 500)	–	–	(11 500)	44 245
Transfers and subsidies	7 208 035	–	–	2 500	–	–	2 500	7 210 535
Departmental agencies and accounts	7 206 060	–	–	–	–	–	–	7 206 060
Foreign governments and international organisations	1 730	–	–	2 500	–	–	2 500	4 230
Households	245	–	–	–	–	–	–	245
Payments for capital assets	2 906	–	–	–	–	–	–	2 906
Machinery and equipment	2 906	–	–	–	–	–	–	2 906
Total	7 332 637	–	–	(9 000)	–	–	(9 000)	7 323 637

Programme 4: Welfare Services Policy Development and Implementation Support

Programme on Welfare Services Policy Development and Implementation Support								
Subprogramme		2017/18						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Service Standards	31 028	–	–	(1 000)	–	–	(1 000)	30 028
Substance Abuse	72 453	–	–	2 500	–	–	2 500	74 953
Older Persons	21 191	–	–	(1 000)	–	–	(1 000)	20 191
People with Disabilities	30 679	–	–	(1 000)	–	–	(1 000)	29 679
Children	398 501	–	–	–	–	–	–	398 501
Families	9 359	–	–	–	–	–	–	9 359
Social Crime Prevention and Victim Empowerment	64 901	–	–	(2 500)	–	–	(2 500)	62 401
Youth	15 025	–	–	(1 000)	–	–	(1 000)	14 025
HIV and AIDS	102 789	–	–	(1 000)	–	–	(1 000)	101 789
Social Worker Scholarships	305 319	–	–	–	–	–	–	305 319
Programme Management	4 010	–	–	–	–	–	–	4 010
Total	1 055 255	–	–	(5 000)	–	–	(5 000)	1 050 255

Programme 4: Welfare Services Policy Development and Implementation Support (continued)

Economic classification		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Current payments	267 213	–	–	(5 477)	–	–	(5 477)	261 736
Compensation of employees	139 344	–	–	–	–	–	–	139 344
Goods and services	127 869	–	–	(5 477)	–	–	(5 477)	122 392
Transfers and subsidies	783 156	–	–	477	–	–	477	783 633
Provinces and municipalities	556 392	–	–	–	–	–	–	556 392
Higher education institutions	–	–	–	477	–	–	477	477
Foreign governments and international organisations	759	–	–	–	–	–	–	759
Non-profit institutions	101 819	–	–	–	–	–	–	101 819
Households	124 186	–	–	–	–	–	–	124 186
Payments for capital assets	4 886	–	–	–	–	–	–	4 886
Machinery and equipment	4 886	–	–	–	–	–	–	4 886
Total	1 055 255	–	–	(5 000)	–	–	(5 000)	1 050 255

Programme 5: Social Policy and Integrated Service Delivery

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Social Policy Research and Development	5 718	–	–	–	–	–	–	5 718
Special Projects and Innovation	10 612	–	–	–	–	–	–	10 612
Population Policy Promotion	32 439	–	–	–	–	–	–	32 439
Registration and Monitoring of Non-Profit Organisations	36 134	–	–	–	–	–	–	36 134
Substance Abuse Advisory Services and Oversight	5 921	–	–	–	–	–	–	5 921
Community Development	93 785	–	–	(4 000)	–	–	(4 000)	89 785
National Development Agency	200 913	–	–	–	–	–	–	200 913
Programme Management	3 334	–	–	–	–	–	–	3 334
Total	388 856	–	–	(4 000)	–	–	(4 000)	384 856
Economic classification								
Current payments	128 188	–	–	(4 000)	–	–	(4 000)	124 188
Compensation of employees	78 150	–	–	–	–	–	–	78 150
Goods and services	50 038	–	–	(4 000)	–	–	(4 000)	46 038
Transfers and subsidies	259 900	–	–	–	–	–	–	259 900
Departmental agencies and accounts	200 913	–	–	–	–	–	–	200 913
Foreign governments and international organisations	1 976	–	–	–	–	–	–	1 976
Non-profit institutions	30 795	–	–	–	–	–	–	30 795
Households	26 216	–	–	–	–	–	–	26 216
Payments for capital assets	768	–	–	–	–	–	–	768
Machinery and equipment	768	–	–	–	–	–	–	768
Total	388 856	–	–	(4 000)	–	–	(4 000)	384 856

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Social Assistance					
3. Social Security Policy and Administration					
4. Welfare Services Policy Development and Implementation Support					
5. Social Policy and Integrated Service Delivery					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 5		(4 000)	Programme 1		4 000
Goods and services	Cost containment measures effected on travel and subsistence	(4 000)	Goods and services	Computer services and the development of a communications strategy	4 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.0%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(385 400)	Programme 2		385 400
Households	Child support and disability grants ²	(385 400)	Payments for financial assets	Write-off of social assistance debtors	385 400
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(11 500)	Programme 1		9 000
Goods and services	Cost containment measures effected on consultants and legal services	(9 000)	Goods and services	Fleet services, leases, municipal services and telecommunications	9 000
	Cost containment measures effected on consultants and legal services	(2 500)	Programme 3		2 500
			Foreign governments and international organisations	Transfer payment to the International Labour Organisation ¹	2 500
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Programme 4		(5 477)	Programme 1		5 000
Goods and services	Cost containment measures effected on consultants, and travel and subsistence	(5 000)	Goods and services	Computer services	5 000
	Cost containment measures effected on travel and subsistence	(477)	Programme 4		477
			Higher education institutions	Transfer payment to the Association of South African Social Work Education Institutions ¹	477
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.5%			
Total		(406 377)	406 377		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Declared unspent funds – R350 million

Programme 2: Social Assistance

R350 million in unspent funds has been declared on social grants due to lower than anticipated spending on child support and disability grants as a result of greater efficiency in eligibility assessment.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
		Apr 16 - Sep 16	% of adjusted appropriation	Apr 16 - Mar 17	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	% of adjusted appropriation
R thousand	Adjusted appropriation	Apr 16 - Sep 16		Apr 16 - Mar 17					
Administration	338 512	188 077	55.6	349 746	103.3	368 788	0.2	160 127	43.4
Social Assistance	139 498 691	68 791 768	49.3	138 915 638	99.6	151 230 232	94.3	74 818 182	49.5
Social Security Policy and Administration	6 997 000	3 284 371	46.9	6 980 942	99.8	7 323 637	4.6	3 507 848	47.9
Welfare Services Policy	721 322	228 424	31.7	713 088	98.9	1 050 255	0.7	468 027	44.6
Development and Implementation Support									
Social Policy and Integrated Service Delivery	377 704	224 923	59.6	383 214	101.5	384 856	0.2	205 936	53.5
Total	147 933 229	72 717 563	49.2	147 342 628	99.6	160 357 768	100.0	79 160 119	49.4

Economic classification	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Current payments	797 487	415 287	52.1	797 075	99.9	860 393	0.5	362 544	42.1
Compensation of employees	454 357	218 999	48.2	454 163	100.0	476 811	0.3	223 905	47.0
Goods and services	343 130	196 288	57.2	342 912	99.9	383 582	0.2	138 639	36.1
Transfers and subsidies	147 125 401	72 298 687	49.1	146 538 435	99.6	159 100 829	99.2	78 796 744	49.5
Provinces and municipalities	85 500	–	0.0	85 500	100.0	556 392	0.3	224 794	40.4
Departmental agencies and accounts	7 395 243	3 467 897	46.9	7 395 173	100.0	7 408 459	4.6	3 597 507	48.6
Higher education institutions	2 469	–	0.0	2 400	97.2	477	0.0	–	0.0
Foreign governments and international organisations	4 290	2 011	46.9	4 126	96.2	6 965	0.0	2 759	39.6
Non-profit institutions	113 027	24 087	21.3	109 563	96.9	132 614	0.1	15 497	11.7
Households	139 524 872	68 804 692	49.3	138 941 673	99.6	150 995 922	94.2	74 956 187	49.6
Payments for capital assets	10 341	3 589	34.7	7 118	68.8	11 146	0.0	831	7.5
Buildings and other fixed structures	–	112	–	–	0.0	–	0.0	–	–
Machinery and equipment	9 840	3 477	35.3	6 890	70.0	10 620	0.0	794	7.5
Software and other intangible assets	501	–	0.0	–	0.0	526	0.0	37	7.0
Payments for financial assets	–	–	–	–	–	385 400	0.2	–	0.0
Total	147 933 229	72 717 563	49.2	147 342 628	99.6	160 357 768	100.0	79 160 119	49.4

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R147.3 billion, or 99.6 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R79.2 billion, or 49.4 per cent of the adjusted appropriation of R160.4 billion for the year. In comparison, mid-year expenditure in 2016/17 was R72.7 billion, or 49.2 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R6.4 billion, or 8.9 per cent. This is mainly due to an increase in the value of social grants to keep them in line with inflation, and an increase in the number of social grant beneficiaries.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	49 416	199	0.4	77 546	156.9	88 698	29 964	100.0	713	2.4
Sales of goods and services produced by department	307	146	47.6	6	2.0	16	314	1.0	142	45.2
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	–	1	0.0	–	0.0
Interest, dividends and rent on land	18 011	2	0.0	20 592	114.3	11 625	15 600	52.1	10	0.1
Sales of capital assets	300	–	–	–	–	231	487	1.6	487	100.0
Transactions in financial assets and liabilities	30 798	51	0.2	56 948	184.9	76 826	13 562	45.3	74	0.5
Total	49 416	199	0.4	77 546	156.9	88 698	29 964	100.0	713	2.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R713 000, or 2.4 per cent of the adjusted revenue estimate of R30 million for the year. The estimate for 2017/18 was revised downwards from R88.7 million to R30 million due to lower than anticipated receipts from the Special Investigative Unit related to grant fraud. In comparison, mid-year revenue in 2016/17 was R199 000, or 0.4 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R514 000, or 258.3 per cent. This is mainly due to the sale of a vehicle.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Social Assistance Households								
Social benefits								
Current	77 438 852	–	–	(385 400)	(350 000)	–	(735 400)	76 703 452
Disability	21 151 940	–	–	(17 400)	(200 000)	–	(217 400)	20 934 540
Child support	56 286 912	–	–	(368 000)	(150 000)	–	(518 000)	55 768 912
Social Security Policy and Administration								
Foreign governments and international organisations								
Current	–	–	–	2 500	–	–	2 500	2 500
International Labour Organisation	–	–	–	2 500	–	–	2 500	2 500
Welfare Services Policy Development and Implementation								
Support								
Higher education institutions								
Current	–	–	–	477	–	–	477	477
Association of South African Social Work Education Institution	–	–	–	477	–	–	477	477

Vote 18

Correctional Services

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	22 814 124	22 814 593	(183 000)	183 469
of which:				
Current payments	21 744 690	21 927 690	–	183 000
Transfers and subsidies	127 985	128 454	–	469
Payments for capital assets	941 449	758 449	(183 000)	–
Executive authority	Minister of Justice and Correctional Services			
Accounting officer	National Commissioner of Correctional Services			
Website address	www.dcs.gov.za			

Vote purpose

Contribute to a just, peaceful and safer South Africa through the effective and humane incarceration of inmates and the rehabilitation and social reintegration of offenders.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first five months of 2017/18 (April to August) ¹	Changed target for 2017/18
Percentage of inmates who escape from correctional centres and remand detention facilities per year	Incarceration	Outcome 3: All people in South Africa are and feel safe	0.034% (56/163 261)	0.009% 15/158 993	–
Percentage of inmates injured as a result of reported assaults in correctional centres and remand detention facilities per year	Incarceration		4.7% (7 634/163 261)	1.8% 2 872/158 993	–
Percentage of overcrowding in correctional centres and remand detention facilities in excess of approved capacity	Incarceration		38% (45 271/119 134)	33% 39 769/119 134	–
Percentage of sentenced offenders subjected to correctional programmes per year	Rehabilitation		76% (81 432/107 145)	37% 38 851/105 509	–
Percentage of offenders participating in skills development programmes measured against the number of offenders enrolled per year	Rehabilitation		80% (9 136/11 420)	98% 8 290/8 460	–
Percentage of inmates on antiretroviral therapy (cumulative)	Care		99% (36 383/36 750)	96% 26 023/27 001	–
Percentage of parolees without violations per year	Social Reintegration		97% (52 559/54 185)	99% 53 828/54 526	–
Percentage of probationers without violations per year	Social Reintegration		96% (15 919/16 582)	99% 16 103/16 347	–

1. Only data for the first five months of 2017/18 is currently available.

Mid-year progress

In the first five months of 2017/18, the department managed to keep the percentage of escapes and inmates injured as a result of reported assaults lower than the projected target. This was achieved through the effective implementation of security measures, security awareness and management involvement.

The department, with the judiciary and the justice, crime prevention and security cluster, is implementing a multi-pronged strategy aimed at reducing overcrowding in correctional centres and remand detention facilities. The strategy focuses mainly on the promotion of non-custodial sanctions or alternatives to imprisonment, the consideration of sentenced offenders for parole or correctional supervision, the provision of additional accommodation, the even distribution of offenders in correctional facilities, and the optimal use of correctional supervision.

The department expects to meet all its targets by the end of the 2017/18.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
R thousand							
Administration	4 150 878	–	–	–	–	–	–
Incarceration	13 986 910	–	–	–	–	469	469
Rehabilitation	1 822 411	–	–	–	–	–	–
Care	1 998 674	–	–	–	–	–	–
Social Reintegration	855 251	–	–	–	–	–	–
Total	22 814 124	–	–	–	–	469	469
Economic classification							
Current payments	21 744 690	–	–	183 000	–	–	183 000
Compensation of employees	15 776 687	–	–	–	–	–	–
Goods and services	5 968 003	–	–	183 000	–	–	183 000
Transfers and subsidies	127 985	–	–	–	–	469	469
Provinces and municipalities	6 603	–	–	–	–	–	–
Departmental agencies and accounts	10 395	–	–	–	–	–	–
Households	110 987	–	–	–	–	469	469
Payments for capital assets	941 449	–	–	(183 000)	–	–	(183 000)
Buildings and other fixed structures	759 944	–	–	(183 000)	–	–	(183 000)
Machinery and equipment	175 953	–	–	–	–	–	–
Biological assets	5 552	–	–	–	–	–	–
Total	22 814 124	–	–	–	–	469	469

Programme 2: Incarceration

Subprogramme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
R thousand							
Security Operations	7 358 303	–	–	–	–	–	–
Facilities	4 118 189	–	–	–	–	–	–
Remand Detention	688 809	–	–	–	–	–	–
Offender Management	1 821 609	–	–	–	–	469	469
Total	13 986 910	–	–	–	–	469	469
Economic classification							
Current payments	13 081 840	–	–	183 000	–	–	183 000
Compensation of employees	9 687 247	–	–	–	–	–	–
Goods and services	3 394 593	–	–	183 000	–	–	183 000
Transfers and subsidies	105 865	–	–	–	–	469	469
Households	105 865	–	–	–	–	469	469
Payments for capital assets	799 205	–	–	(183 000)	–	–	(183 000)
Buildings and other fixed structures	759 944	–	–	(183 000)	–	–	(183 000)
Machinery and equipment	37 791	–	–	–	–	–	–
Biological assets	1 470	–	–	–	–	–	–
Total	13 986 910	–	–	–	–	469	469

Virements and shifts within votes

Programmes					
1. Administration					
2. Incarceration					
3. Rehabilitation					
4. Care					
5. Social Reintegration					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(183 000)	Programme 2		183 000
Buildings and other fixed structures	Capital works project ¹	(183 000)	Goods and services	Municipal services	183 000
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(183 000)			183 000

1. National Treasury approval has been obtained.

Other adjustments – R469 000

Self-financing expenditure

Programme 2: Incarceration

R1.407 million was generated from the hiring out of offender labour in 2016/17. R469 000, or one-third of the amount, has been allocated to offender gratuities to supplement funding for this item.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	3 876 194	1 966 817	50.7	3 879 599	100.1	4 150 878	18.2	1 886 956	45.0
Incarceration	13 701 515	6 938 517	50.6	13 388 093	97.7	13 987 379	61.3	6 463 497	46.2
Rehabilitation	1 219 589	594 838	48.8	1 185 661	97.2	1 822 411	8.0	762 618	43.0
Care	1 975 116	1 060 660	53.7	2 235 094	113.2	1 998 674	8.8	1 114 205	55.7
Social Reintegration	807 777	432 934	53.6	853 727	105.7	855 251	3.7	454 198	53.1
Total	21 580 191	10 993 766	50.9	21 542 174	99.8	22 814 593	100.0	10 681 474	46.8
Economic classification									
Current payments	20 453 132	10 403 124	50.9	20 528 963	100.4	21 927 690	96.1	10 289 095	46.9
Compensation of employees	14 821 416	7 152 837	48.3	14 417 167	97.3	15 776 687	69.2	7 721 197	48.9
Goods and services	5 631 716	3 249 933	57.7	6 111 482	108.5	6 151 003	27.0	2 566 858	41.7
Interest and rent on land	–	354	0.0	314	0.0	–	0.0	1 040	0.0
Transfers and subsidies	132 091	67 470	51.1	131 448	99.5	128 454	0.6	54 742	42.6
Provinces and municipalities	5 916	3 084	52.1	5 739	97.0	6 603	0.0	3 531	53.5
Departmental agencies and accounts	9 900	10 242	103.5	20 823	210.3	10 395	0.0	2	0.0
Higher education institutions	–	1 778	0.0	1 857	0.0	–	0.0	–	0.0
Households	116 275	52 366	45.0	103 029	88.6	111 456	0.5	51 209	45.9
Payments for capital assets	994 968	523 172	52.6	874 405	87.9	758 449	3.3	337 637	44.5
Buildings and other fixed structures	770 829	452 386	58.7	748 092	97.1	576 944	2.5	316 497	54.9
Machinery and equipment	221 928	69 401	31.3	123 652	55.7	175 953	0.8	20 447	11.6
Biological assets	2 211	1 385	62.6	2 661	120.4	5 552	0.0	693	12.5
Payments for financial assets	–	–	–	7 358	–	–	0.0	–	0.0
Total	21 580 191	10 993 766	50.9	21 542 174	99.8	22 814 593	100.0	10 681 474	46.8

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R21.5 billion, or 99.8 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R10.7 billion, or 46.8 per cent of the adjusted appropriation of R22.8 billion for the year. In comparison, mid-year expenditure in 2016/17 was R11 billion, or 50.9 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R312.3 million, or 2.8 per cent. This is attributed to outstanding invoices for contractors and operating leases, and cost containment measures effected on machinery and equipment.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	130 978	66 840	51.0	147 484	112.6	132 231	148 798	100.0	84 551	56.7
Sales of goods and services produced by department	55 698	27 841	50.0	57 588	103.4	64 783	56 765	38.1	29 067	51.2
Sales of scrap, waste, arms and other used current goods	1 800	1 070	59.4	2 428	134.9	2 369	1 285	0.9	845	65.8
Transfers received	–	–	–	2 250	–	–	–	–	–	–
Fines, penalties and forfeits	19 300	10 307	53.4	21 757	112.7	17 661	20 648	13.9	13 541	65.6
Interest, dividends and rent on land	180	90	50.0	215	119.4	–	100	0.1	66	66.0
Sales of capital assets	7 500	3 561	47.5	15 998	213.3	918	5 000	3.4	2 084	41.7
Transactions in financial assets and liabilities	46 500	23 971	51.6	47 248	101.6	46 500	65 000	43.7	38 948	59.9
Total	130 978	66 840	51.0	147 484	112.6	132 231	148 798	100.0	84 551	56.8

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R84.6 million, or 56.8 per cent of the adjusted revenue estimate of R148.8 million for the year. In comparison, mid-year revenue in 2016/17 was R66.8 million, or 51 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R17.7 million, or 26.5 per cent. This is mainly due to an increase in revenue generated from the sale of goods and services produced by the department.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Incarceration								
Households								
Other transfers to households								
Current	21 112	–	–	–	–	469	469	21 581
Offender gratuity	21 112	–	–	–	–	469	469	21 581

Vote 19

Defence and Military Veterans

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	48 618 790	48 999 560	(772 903)	1 153 673
of which:				
Current payments	38 022 001	39 175 674	–	1 153 673
Transfers and subsidies	9 180 066	8 587 163	(592 903)	–
Payments for capital assets	1 416 723	1 236 723	(180 000)	–
Executive authority	Minister of Defence and Military Veterans			
Accounting officer	Secretary for Defence			
Website address	www.dod.mil.za			

Vote purpose

Defend and protect the Republic of South Africa, its territorial integrity and its people, in accordance with the Constitution and the principles of international law regulating the use of force. Provide for military veterans' benefits.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Total number of defence attaché offices	Administration	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	44	44	–
Number of military skills development members in the system per year	Administration	Outcome 5: A skilled and capable workforce to support an inclusive growth path	3 651	3 710	–
Number of reserve force person days	Administration	Outcome 3: All people in South Africa are and feel safe	1 817 104	1 174 763	–
Percentage compliance with the Southern African Development Community standby force pledge	Force Employment	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	100% (19)	100% (19)	–
Percentage compliance with the number of ordered commitments (external operations)	Force Employment	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	100% (2)	100% (2)	–
Percentage compliance with the number of ordered commitments (internal operations)	Force Employment	Outcome 3: All people in South Africa are and feel safe	100% (4)	100% (4)	–
Number of joint, interdepartmental, interagency and multinational military exercises conducted per year	Force Employment	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	3	2	–
Number of landward sub-units deployed on border safeguarding per year	Force Employment	Outcome 3: All people in South Africa are and feel safe	15	15	–
Number of force employment hours flown per year	Air Defence	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	5 000	2 094	–
Number of hours at sea per year	Maritime Defence	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	12 000	2 929	–

Mid-year progress

There are 44 operational defence attaché offices. This number remains unchanged from the previous period as no additional offices were opened in 2017/18.

In the first half of the financial year, the department exceeded the annual target for members in military skills development, as fewer members than projected were transferred to the core service.

The department has pledged full compliance with all 19 requirements of the Southern African Development Community standby force. It will maintain this compliance in the second half of the year.

The South African National Defence Force provides support to 2 external operations: the United Nations peace support operation in the Democratic Republic of the Congo and the Mozambican Defence force operation to curb piracy. The department has also complied with the order to execute all 4 of South Africa's internal commitments: border safeguarding, police support, humanitarian search and rescue missions, and disaster aid.

In the first half of the year, the South African National Defence Force deployed all 15 landward sub-units to undertake border safeguarding in the Limpopo, Mpumalanga, KwaZulu-Natal, Free State, Eastern Cape, Northern Cape and North West provinces.

In the first half of 2017/18, 2 929 hours were spent at sea out of a targeted 12 000 hours. Targets for operational tasks at sea are typically achieved in the fourth quarter.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Administration	5 380 834	–	–	88 650	–	–	88 650	5 469 484
Force Employment	3 688 564	–	–	(153 165)	–	–	(153 165)	3 535 399
Landward Defence	16 550 196	–	–	124 197	–	45 364	169 561	16 719 757
Air Defence	6 628 007	–	–	(144 915)	–	335 406	190 491	6 818 498
Maritime Defence	4 790 003	–	–	(200 000)	–	–	(200 000)	4 590 003
Military Health Support	4 586 699	–	–	–	–	–	–	4 586 699
Defence Intelligence	917 277	–	–	–	–	–	–	917 277
General Support	6 077 210	–	–	285 233	–	–	285 233	6 362 443
Total	48 618 790	–	–	–	–	380 770	380 770	48 999 560
Economic classification								
Current payments	38 022 001	–	–	1 153 673	–	–	1 153 673	39 175 674
Compensation of employees	26 447 971	–	–	1 000 000	–	–	1 000 000	27 447 971
Goods and services	11 574 030	–	–	153 673	–	–	153 673	11 727 703
Transfers and subsidies	9 180 066	–	–	(973 673)	–	380 770	(592 903)	8 587 163
Provinces and municipalities	91	–	–	–	–	–	–	91
Departmental agencies and accounts	7 747 080	–	–	(973 673)	–	380 770	(592 903)	7 154 177
Public corporations and private enterprises	1 296 901	–	–	–	–	–	–	1 296 901
Non-profit institutions	8 901	–	–	–	–	–	–	8 901
Households	127 093	–	–	–	–	–	–	127 093
Payments for capital assets	1 416 723	–	–	(180 000)	–	–	(180 000)	1 236 723
Buildings and other fixed structures	958 840	–	–	(300 747)	–	–	(300 747)	658 093
Machinery and equipment	455 741	–	–	–	–	–	–	455 741
Specialised military assets	1 743	–	–	–	–	–	–	1 743
Software and other intangible assets	399	–	–	120 747	–	–	120 747	121 146
Total	48 618 790	–	–	–	–	380 770	380 770	48 999 560

Programme 1: Administration**Subprogramme**

		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Ministry	74 051	–	–	–	–	–	–	74 051
Departmental Direction	58 586	–	–	–	–	–	–	58 586
Policy and Planning	119 058	–	–	–	–	–	–	119 058
Financial Services	372 613	–	–	–	–	–	–	372 613
Human Resources Support Services	777 263	–	–	31 213	–	–	31 213	808 476
Legal Services	300 110	–	–	–	–	–	–	300 110
Inspection and Audit Services	143 025	–	–	–	–	–	–	143 025
Acquisition Services	125 743	–	–	–	–	–	–	125 743
Communication Services	46 397	–	–	–	–	–	–	46 397
South African National Defence Force	156 217	–	–	–	–	–	–	156 217
Command and Control								
Religious Services	14 008	–	–	–	–	–	–	14 008
Defence Reserve Direction	28 501	–	–	–	–	–	–	28 501
Defence Foreign Relations	274 458	–	–	57 437	–	–	57 437	331 895
Office Accommodation	2 268 693	–	–	–	–	–	–	2 268 693
Military Veterans Management	622 111	–	–	–	–	–	–	622 111
Total	5 380 834	–	–	88 650	–	–	88 650	5 469 484
Economic classification								
Current payments	4 686 740	–	–	88 650	–	–	88 650	4 775 390
Compensation of employees	1 847 829	–	–	81 750	–	–	81 750	1 929 579
Goods and services	2 838 911	–	–	6 900	–	–	6 900	2 845 811
Transfers and subsidies	667 500	–	–	–	–	–	–	667 500
Provinces and municipalities	32	–	–	–	–	–	–	32
Departmental agencies and accounts	643 185	–	–	–	–	–	–	643 185
Non-profit institutions	7 929	–	–	–	–	–	–	7 929
Households	16 354	–	–	–	–	–	–	16 354
Payments for capital assets	26 594	–	–	–	–	–	–	26 594
Machinery and equipment	26 550	–	–	–	–	–	–	26 550
Software and other intangible assets	44	–	–	–	–	–	–	44
Total	5 380 834	–	–	88 650	–	–	88 650	5 469 484

Programme 2: Force Employment**Subprogramme**

		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Strategic Direction	155 948	–	–	–	–	–	–	155 948
Operational Direction	331 429	–	–	–	–	–	–	331 429
Special Operations	824 403	–	–	40 000	–	–	40 000	864 403
Regional Security	1 410 813	–	–	(296 165)	–	–	(296 165)	1 114 648
Support to the People	965 971	–	–	103 000	–	–	103 000	1 068 971
Total	3 688 564	–	–	(153 165)	–	–	(153 165)	3 535 399
Economic classification								
Current payments	3 232 385	–	–	(153 165)	–	–	(153 165)	3 079 220
Compensation of employees	2 138 787	–	–	(93 165)	–	–	(93 165)	2 045 622
Goods and services	1 093 598	–	–	(60 000)	–	–	(60 000)	1 033 598
Transfers and subsidies	272 883	–	–	–	–	–	–	272 883
Departmental agencies and accounts	256 677	–	–	–	–	–	–	256 677
Public corporations and private enterprises	8 871	–	–	–	–	–	–	8 871
Households	7 335	–	–	–	–	–	–	7 335
Payments for capital assets	183 296	–	–	–	–	–	–	183 296
Buildings and other fixed structures	400	–	–	–	–	–	–	400
Machinery and equipment	181 903	–	–	–	–	–	–	181 903
Specialised military assets	993	–	–	–	–	–	–	993
Total	3 688 564	–	–	(153 165)	–	–	(153 165)	3 535 399

Programme 3: Landward Defence

Subprogramme		2017/18					
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Strategic Direction	426 847	—	—	61 774	—	—	488 621
Infantry Capability	6 889 647	—	—	37 742	—	45 364	6 972 753
Armour Capability	449 485	—	—	—	—	—	449 485
Artillery Capability	486 548	—	—	—	—	—	486 548
Air Defence Artillery Capability	681 730	—	—	—	—	—	681 730
Engineering Capability	745 915	—	—	—	—	—	745 915
Operational Intelligence	236 675	—	—	—	—	—	236 675
Command and Control Capability	209 283	—	—	—	—	—	209 283
Support Capability	4 680 408	—	—	24 681	—	—	4 705 089
General Training Capability	474 083	—	—	—	—	—	474 083
Signal Capability	1 269 575	—	—	—	—	—	1 269 575
Total	16 550 196	—	—	124 197	—	45 364	16 719 757
Economic classification							
Current payments	12 811 371	—	—	597 870	—	—	13 409 241
Compensation of employees	10 953 847	—	—	740 089	—	—	11 693 936
Goods and services	1 857 524	—	—	(142 219)	—	—	1 715 305
Transfers and subsidies	3 687 866	—	—	(473 673)	—	45 364	3 259 557
Departmental agencies and accounts	3 619 704	—	—	(473 673)	—	45 364	3 191 395
Public corporations and private enterprises	35 185	—	—	—	—	—	35 185
Households	32 977	—	—	—	—	—	32 977
Payments for capital assets	50 959	—	—	—	—	—	50 959
Buildings and other fixed structures	5 097	—	—	—	—	—	5 097
Machinery and equipment	45 862	—	—	—	—	—	45 862
Total	16 550 196	—	—	124 197	—	45 364	16 719 757

Programme 4: Air Defence

Subprogramme		2017/18					
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Strategic Direction	30 627	—	—	—	—	—	30 627
Operational Direction	170 185	—	—	—	—	—	170 185
Helicopter Capability	814 824	—	—	(76 241)	—	335 406	1 073 989
Transport and Maritime Capability	798 324	—	—	—	—	—	798 324
Air Combat Capability	1 043 221	—	—	(250 000)	—	—	793 221
Operational Support and Intelligence Capability	286 307	—	—	10 719	—	—	297 026
Command and Control Capability	560 423	—	—	(50 000)	—	—	510 423
Base Support Capability	1 773 537	—	—	220 607	—	—	1 994 144
Command Post	63 630	—	—	—	—	—	63 630
Training Capability	612 819	—	—	—	—	—	612 819
Technical Support Services	474 110	—	—	—	—	—	474 110
Total	6 628 007	—	—	(144 915)	—	335 406	6 818 498
Economic classification							
Current payments	5 751 509	—	—	155 085	—	—	5 906 594
Compensation of employees	3 444 829	—	—	231 326	—	—	3 676 155
Goods and services	2 306 680	—	—	(76 241)	—	—	2 230 439
Transfers and subsidies	859 029	—	—	(300 000)	—	335 406	894 435
Provinces and municipalities	3	—	—	—	—	—	3
Departmental agencies and accounts	841 102	—	—	(300 000)	—	335 406	876 508
Households	17 924	—	—	—	—	—	17 924
Payments for capital assets	17 469	—	—	—	—	—	17 469
Machinery and equipment	17 469	—	—	—	—	—	17 469
Total	6 628 007	—	—	(144 915)	—	335 406	6 818 498

Programme 5: Maritime Defence

Subprogramme		2017/18					
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Maritime Direction	582 180	—	—	—	—	—	582 180
Maritime Combat Capability	2 073 088	—	—	(200 000)	—	—	1 873 088
Maritime Logistic Support Capability	980 721	—	—	(40 000)	—	—	940 721
Maritime Human Resources and Training Capability	538 634	—	—	—	—	—	538 634
Base Support Capability	615 380	—	—	40 000	—	—	655 380
Total	4 790 003	—	—	(200 000)	—	—	4 590 003

Programme 5: Maritime Defence (continued)

Economic classification		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	3 009 223	–	–	–	–	–	–	3 009 223
Compensation of employees	2 248 007	–	–	40 000	–	–	40 000	2 288 007
Goods and services	761 216	–	–	(40 000)	–	–	(40 000)	721 216
Transfers and subsidies	1 769 439	–	–	(200 000)	–	–	(200 000)	1 569 439
Departmental agencies and accounts	1 483 973	–	–	(200 000)	–	–	(200 000)	1 283 973
Public corporations and private enterprises	269 991	–	–	–	–	–	–	269 991
Households	15 475	–	–	–	–	–	–	15 475
Payments for capital assets	11 341	–	–	–	–	–	–	11 341
Buildings and other fixed structures	1 500	–	–	–	–	–	–	1 500
Machinery and equipment	9 841	–	–	–	–	–	–	9 841
Total	4 790 003	–	–	(200 000)	–	–	(200 000)	4 590 003

Programme 8: General Support

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Joint Logistic Services	2 941 836	–	–	285 233	–	–	285 233	3 227 069
Command and Management Information Systems	1 025 182	–	–	–	–	–	–	1 025 182
Military Police	576 123	–	–	–	–	–	–	576 123
Technology Development	441 333	–	–	–	–	–	–	441 333
Departmental Support	1 092 736	–	–	–	–	–	–	1 092 736
Total	6 077 210	–	–	285 233	–	–	285 233	6 362 443
Economic classification								
Current payments	3 546 430	–	–	465 233	–	–	465 233	4 011 663
Compensation of employees	2 037 453	–	–	–	–	–	–	2 037 453
Goods and services	1 508 977	–	–	465 233	–	–	465 233	1 974 210
Transfers and subsidies	1 445 418	–	–	–	–	–	–	1 445 418
Provinces and municipalities	52	–	–	–	–	–	–	52
Departmental agencies and accounts	446 799	–	–	–	–	–	–	446 799
Public corporations and private enterprises	982 854	–	–	–	–	–	–	982 854
Households	15 713	–	–	–	–	–	–	15 713
Payments for capital assets	1 085 362	–	–	(180 000)	–	–	(180 000)	905 362
Buildings and other fixed structures	949 243	–	–	(300 747)	–	–	(300 747)	648 496
Machinery and equipment	135 764	–	–	–	–	–	–	135 764
Software and other intangible assets	355	–	–	120 747	–	–	120 747	121 102
Total	6 077 210	–	–	285 233	–	–	285 233	6 362 443

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Force Employment					
3. Landward Defence					
4. Air Defence					
5. Maritime Defence					
6. Military Health Support					
7. Defence Intelligence					
8. General Support					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(11 415)	Programme 3		11 415
Compensation of employees	Reallocation of funds incorrectly allocated in the 2017 ENE	(11 415)	Compensation of employees	Guard services	11 415
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.2%			

2017 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(153 165)	Programme 1		93 165
Compensation of employees	Reallocation of funds incorrectly allocated in the 2017 ENE	(35 728)	Compensation of employees	Personnel remuneration	35 728
	Reallocation of funds incorrectly allocated in the 2017 ENE	(57 437)	Compensation of employees	Personnel remuneration	57 437
Goods and services	Cost containment measures effected on contractors	(60 000)	Programme 3		60 000
			Compensation of employees	Personnel remuneration ¹	60 000
Shifts within the programme as a percentage of the programme budget		3.9%			
Virements to other programmes as a percentage of the programme budget		4.2%			
Programme 3		(615 892)	Programme 1		6 900
Goods and services	Reallocation of funds incorrectly allocated in the 2017 ENE	(6 900)	Goods and services	Centre for Conflict Simulation	6 900
	Cost containment measures effected on inventory: food and food supplies	(40 000)	Programme 3		40 000
	Reallocation of funds incorrectly allocated in the 2017 ENE	(95 319)	Compensation of employees	Personnel remuneration ¹	40 000
Departmental agencies and accounts	Special defence account ¹	(300 000)	Programme 8		95 319
	Special defence account ¹	(173 673)	Goods and services	Maintenance and repair of vehicles by Operation Thusano	95 319
Shifts within the programme as a percentage of the programme budget		2.1%	Programme 3		300 000
Virements to other programmes as a percentage of the programme budget		1.7%	Compensation of employees	Personnel remuneration ¹	300 000
Programme 4		(376 241)	Programme 8		173 673
Goods and services	Cost containment measures effected on contractors	(60 000)	Goods and services	Asset and inventory verification	173 673
	Reallocation of funds incorrectly allocated in the 2017 ENE	(16 241)	Programme 3		60 000
Departmental agencies and accounts	Special defence account ¹	(68 674)	Compensation of employees	Personnel remuneration ¹	60 000
	Special defence account ¹	(231 326)	Programme 8		16 241
Shifts within the programme as a percentage of the programme budget		3.5%	Goods and services	Maintenance and repair of vehicles by Operation Thusano	16 241
Virements to other programmes as a percentage of the programme budget		2.2%	Programme 3		68 674
Programme 5		(240 000)	Compensation of employees	Personnel remuneration ¹	68 674
Goods and services	Cost containment measures effected on contractors	(40 000)	Programme 4		231 326
Departmental agencies and accounts	Special defence account ¹	(200 000)	Compensation of employees	Personnel remuneration ¹	231 326
Shifts within the programme as a percentage of the programme budget		0.8%			
Virements to other programmes as a percentage of the programme budget		4.2%			
Programme 8		(300 747)	Programme 5		40 000
Buildings and other fixed structures	Military hospital ¹	(180 000)	Compensation of employees	Personnel remuneration ¹	40 000
	Upgrades and refurbishments to defence facilities	(120 747)	Programme 3		200 000
Shifts within the programme as a percentage of the programme budget		4.9%	Compensation of employees	Personnel remuneration ¹	200 000
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(1 697 460)			1 697 460

1. Only the legislature may approve this virement.

Other adjustments – R380.77 million

Self-financing expenditure

Revenue of R380.77 million has been generated from reimbursements from the United Nations for South Africa's contribution towards peace support operations, and the sale of equipment and spares procured through the special defence account. This will be returned to the vote from the National Revenue Fund and will be used by the department for defence activities.

Programme 3: Landward Defence

R45.364 million

Programme 4: Air Defence

R335.406 million

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16 % of appropriation	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17 % of appropriation	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17 % of appropriation	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	5 740 559	2 613 816	45.5	5 740 559	100.0	5 469 484	11.2	2 414 097	44.1
Force Employment	3 445 535	1 626 706	47.2	3 431 011	99.6	3 535 399	7.2	1 453 175	41.1
Landward Defence	15 557 822	7 861 552	50.5	15 557 22	100.0	16 719 757	34.1	8 434 669	50.4
Air Defence	6 782 585	3 169 341	46.7	6 782 585	100.0	6 818 498	13.9	3 058 589	44.9
Maritime Defence	4 323 232	2 093 256	48.4	4 298 385	99.4	4 590 003	9.4	2 304 147	50.2
Military Health Support	4 448 745	2 200 144	49.5	4 448 745	100.0	4 586 699	9.4	2 345 498	51.1
Defence Intelligence	881 289	413 038	46.9	881 289	100.0	917 277	1.9	419 098	45.7
General Support	6 056 698	2 647 844	43.7	6 056 698	100.0	6 362 443	13.0	2 790 861	43.9
Total	47 236 465	22 625 697	47.9	47 197 094	99.9	48 999 560	100.0	23 220 134	47.4
Economic classification									
Current payments	38 820 032	18 527 605	47.7	38 780 661	99.9	39 175 674	80.0	18 287 138	46.7
Compensation of employees	27 084 547	13 249 499	48.9	27 059 700	99.9	27 447 971	56.0	13 818 308	50.3
Goods and services	11 735 485	5 278 106	45.0	11 720 961	99.9	11 727 703	23.9	4 468 830	38.1
Transfers and subsidies	7 466 820	3 781 180	50.6	7 466 820	100.0	8 587 163	17.5	4 508 646	52.5
Provinces and municipalities	185	121	65.4	185	100.0	91	–	45	49.5
Departmental agencies and accounts	6 251 767	3 164 423	50.6	6 251 767	100.0	7 154 177	14.6	3 751 590	52.4
Foreign governments and international organisations	1 067 713	546 210	51.2	1 067 713	100.0	–	–	645 286	–
Public corporations and private enterprises	–	–	–	–	–	1 296 901	2.6	–	–
Non-profit institutions	9 303	6 620	71.2	9 303	100.0	8 901	–	3 965	44.5
Households	137 852	63 806	46.3	137 852	100.0	127 093	0.3	107 760	84.8
Payments for capital assets	947 294	315 766	33.3	947 294	100.0	1 236 723	2.5	423 106	34.2
Buildings and other fixed structures	147 856	51 824	35.1	147 856	100.0	658 093	1.3	286 018	43.5
Machinery and equipment	696 895	252 488	36.2	696 895	100.0	455 741	0.9	119 218	26.2
Specialised military assets	7 553	11 454	151.6	7 553	100.0	1 743	–	135	7.7
Software and other intangible assets	94 990	–	–	94 990	100.0	121 146	0.2	17 735	14.6
Payments for financial assets	2 319	1 146	49.4	2 319	100.0	–	–	1 244	–
Total	47 236 465	22 625 697	47.9	47 197 094	99.9	48 999 560	100.0	23 220 134	47.4

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R47.2 billion, or 99.9 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R23.2 billion, or 47.4 per cent of the adjusted appropriation of R49 billion for the year. In comparison, mid-year expenditure in 2016/17 was R22.6 billion, or 47.9 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R594.4 million, or 2.6 per cent. This is mainly due to an increase in expenditure on compensation of employees and a payment to the Department of Public Works for refurbishments to defence facilities.

Departmental receipts

	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
R thousand										
Departmental receipts	842 710	519 118	61.6	1 387 310	164.6	1 051 761	1 051 761	100.0	309 494	29.4
Sales of goods and services produced by department	442 198	334 600	75.7	806 472	182.4	412 760	412 760	39.2	248 299	60.2
Sales of scrap, waste, arms and other used current goods	850	472	55.5	747	87.9	1 345	1 345	0.1	405	30.1
Transfers received	231 652	91 671	39.6	441 660	190.7	538 922	538 922	51.2	–	–
Fines, penalties and forfeits	650	333	51.2	1 164	179.1	1 150	1 150	0.1	688	59.8
Interest, dividends and rent on land	2 758	1 691	61.3	3 928	142.4	3 840	3 840	0.4	2 061	53.7
Sales of capital assets	66 000	31 858	48.3	31 858	48.3	25 967	25 967	2.5	9 110	35.1
Transactions in financial assets and liabilities	98 602	58 493	59.3	101 481	102.9	67 777	67 777	6.4	48 931	72.2
Total	842 710	519 118	61.6	1 387 310	164.6	1 051 761	1 051 761	100.0	309 494	29.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R309.5 million, or 29.4 per cent of the adjusted revenue estimate of R1.1 billion for the year. In comparison, mid-year revenue in 2016/17 was R519.1 million, or 61.6 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R209.6 million, or 40.4 per cent. This is mainly due to outstanding reimbursements from the United Nations for peace support operations in the Democratic Republic of the Congo.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Landward Defence								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	3 619 628	–	–	(473 673)	–	45 364	(428 309)	3 191 319
Special defence account	3 619 628	–	–	(473 673)	–	45 364	(428 309)	3 191 319
Air Defence								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	841 102	–	–	(300 000)	–	335 406	35 406	876 508
Special defence account	841 102	–	–	(300 000)	–	335 406	35 406	876 508
Maritime Defence								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	1 483 973	–	–	(200 000)	–	–	(200 000)	1 283 973
Special defence account	1 483 973	–	–	(200 000)	–	–	(200 000)	1 283 973

Vote 20

Independent Police Investigative Directorate

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	255 482	255 482	(503)	503
of which:				
Current payments	254 657	254 366	(291)	–
Transfers and subsidies	613	1 116	–	503
Payments for capital assets	212	–	(212)	–
Executive authority	Minister of Police			
Accounting officer	Executive Director of the Independent Police Investigative Directorate			
Website address	www.ipid.gov.za			

Vote purpose

Ensure independent oversight of the South African Police Service and the Municipal Police Services. Conduct independent and impartial investigations of identified criminal offences allegedly committed by members of the South African Police Service and the Municipal Police Services; and make appropriate recommendations.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Percentage of cases registered and allocated within 72 hours of written notification	Investigation and Information Management	Outcome 3: All people in South Africa are and feel safe	91%	79% (2 360/2 969)	–
Percentage of investigations of deaths while in police custody that are decision ready	Investigation and Information Management		62%	31% (30/98)	–
Percentage of investigations of deaths as a result of police action that are decision ready	Investigation and Information Management		52%	9% (20/224)	–
Percentage of investigations of rape by a police officer that are decision ready	Investigation and Information Management		65%	35% (17/49)	–
Percentage of investigations of rape while in police custody that are decision ready	Investigation and Information Management		65%	60% (3/5)	–
Number of community outreach events conducted per year	Compliance Monitoring and Stakeholder Management	Outcome 12: An efficient, effective and development-orientated public service	108	60	–

Mid-year progress

In the first six months of 2017/18, the directorate received 2 969 cases for investigation. Of these, 2 360 or 79 per cent were registered and allocated within 72 hours of receipt, against the target of 91 per cent. This is due to technical challenges experienced with the department's case management system in the second quarter of 2017/18, which delayed the turnaround time for the registration and allocation of cases.

The challenges with the case management system also contributed to slow performance in relation to the achievement of targets for the percentage of decision-ready cases for the investigation of deaths while in police custody, deaths as a result of police action, rape by a police officer and rape while in police custody. Other contributing factors to slow performance in this regard are the number of cases carried over from 2016/17, and delays in receiving pathological test results to support the directorate's investigations.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand							
Administration	87 111	–	–	–	–	–	87 111
Investigation and Information Management	157 247	–	–	(301)	–	–	156 946
Compliance Monitoring and Stakeholder Management	11 124	–	–	301	–	–	11 425
Total	255 482	–	–	–	–	–	255 482
Economic classification							
Current payments	254 657	–	–	(291)	–	–	254 366
Compensation of employees	186 157	–	–	(9 275)	–	–	176 882
Goods and services	68 500	–	–	8 984	–	–	77 484
Transfers and subsidies	613	–	–	503	–	–	1 116
Departmental agencies and accounts	613	–	–	(44)	–	–	569
Households	–	–	–	547	–	–	547
Payments for capital assets	212	–	–	(212)	–	–	–
Machinery and equipment	212	–	–	(212)	–	–	–
Total	255 482	–	–	–	–	–	255 482

Programme 1: Administration

Programme 4 Administration		2017/18						
Subprogramme		Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Department Management	13 477	–	–	159	–	–	159	13 636
Corporate Services	37 932	–	–	48	–	–	48	37 980
Office Accommodation	11 768	–	–	–	–	–	–	11 768
Internal Audit	4 326	–	–	(60)	–	–	(60)	4 266
Finance Services	19 608	–	–	(147)	–	–	(147)	19 461
Total	87 111	–	–	–	–	–	–	87 111
Economic classification								
Current payments	86 313	–	–	(34)	–	–	(34)	86 279
Compensation of employees	54 114	–	–	(4 000)	–	–	(4 000)	50 114
Goods and services	32 199	–	–	3 966	–	–	3 966	36 165
Transfers and subsidies	604	–	–	228	–	–	228	832
Departmental agencies and accounts	604	–	–	(44)	–	–	(44)	560
Households	–	–	–	272	–	–	272	272
Payments for capital assets	194	–	–	(194)	–	–	(194)	–
Machinery and equipment	194	–	–	(194)	–	–	(194)	–
Total	87 111	–	–	–	–	–	–	87 111

Programme 2: Investigation and Information Management

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Investigation Management	12 568	–	–	3 014	–	–	3 014	15 582
Investigation Services	139 967	–	–	(2 338)	–	–	(2 338)	137 629
Information Management	4 712	–	–	(977)	–	–	(977)	3 735
Total	157 247	–	–	(301)	–	–	(301)	156 946
Economic classification								
Current payments	157 238	–	–	(576)	–	–	(576)	156 662
Compensation of employees	121 949	–	–	(5 275)	–	–	(5 275)	116 674
Goods and services	35 289	–	–	4 699	–	–	4 699	39 988
Transfers and subsidies	9	–	–	275	–	–	275	284
Departmental agencies and accounts	9	–	–	–	–	–	–	9
Households	–	–	–	275	–	–	275	275
Total	157 247	–	–	(301)	–	–	(301)	156 946

Programme 3: Compliance Monitoring and Stakeholder Management

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Compliance Monitoring	5 574	–	–	(29)	–	–	(29)	5 545
Stakeholder Management	5 550	–	–	330	–	–	330	5 880
Total	11 124	–	–	301	–	–	301	11 425
Economic classification								
Current payments	11 106	–	–	319	–	–	319	11 425
Compensation of employees	10 094	–	–	–	–	–	–	10 094
Goods and services	1 012	–	–	319	–	–	319	1 331
Payments for capital assets	18	–	–	(18)	–	–	(18)	–
Machinery and equipment	18	–	–	(18)	–	–	(18)	–
Total	11 124	–	–	301	–	–	301	11 425

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Investigation and Information Management					
3. Compliance Monitoring and Stakeholder Management					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(4 510)	Programme 1		4 510
Goods and services	Cost containment measures effected on travel and subsistence	(272)	Households	Claims against the state	272
Compensation of employees	Vacant posts ²	(4 000)	Goods and services	Audit costs, legal costs, operating leases, property payments, and travel and subsistence	4 000
Departmental agencies and accounts	Transfer payment to the Safety and Security Sector Education and Training Authority ¹	(44)	Goods and services	Travel and subsistence	44
Machinery and equipment	Computer hardware and systems ¹	(194)	Goods and services	Travel and subsistence	194
Shifts within the programme as a percentage of the programme budget		5.4%			
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 2		(5 275)	Programme 2		4 974
Compensation of employees	Vacant posts ¹	(275)	Households	Leave gratuities	275
	Vacant posts ²	(4 699)	Goods and services	Fleet services, legal costs, operating leases, and travel and subsistence	4 699
	Vacant posts ²	(301)	Programme 3		301
			Goods and services	Advertising, communication, and travel and subsistence	301
Shifts within the programme as a percentage of the programme budget		3.7%			
Virements to other programmes as a percentage of the programme budget		0.2%			
Programme 3		(18)	Programme 3		18
Machinery and equipment	Office furniture ¹	(18)	Goods and services	Advertising, communication, and travel and subsistence	18
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		(9 803)			9 803

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	77 109	44 288	57.4	76 102	98.7	87 111	34.1	49 196	56.5
Investigation and Information Management	156 301	86 163	55.1	156 991	100.4	156 946	61.4	83 720	53.3
Compliance Monitoring and Stakeholder Management	8 701	4 317	49.6	8 638	99.3	11 425	4.5	5 224	45.7
Total	242 111	134 768	55.7	241 731	99.8	255 482	100.0	138 140	54.1
Economic classification									
Current payments	241 355	134 487	55.7	239 908	99.4	254 366	99.6	137 030	53.9
Compensation of employees	169 583	86 296	50.9	169 179	99.8	176 882	69.2	83 585	47.3
Goods and services	71 772	48 191	67.1	70 729	98.5	77 484	30.3	53 442	69.0
Interest and rent on land	—	—	—	—	—	—	0.0	3	—
Transfers and subsidies	602	60	10.0	1 444	239.9	1 116	0.4	1 110	99.5
Departmental agencies and accounts	549	6	1.1	549	100.0	569	0.2	564	99.1
Households	53	54	101.9	895	1688.7	547	0.2	546	99.8
Payments for capital assets	154	128	83.1	286	185.7	—	0.0	—	—
Machinery and equipment	154	128	83.1	286	185.7	—	0.0	—	0.0
Payments for financial assets	—	93	—	93	—	—	0.0	—	—
Total	242 111	134 768	55.7	241 731	99.8	255 482	100.0	138 140	54.1

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R241.7 million, or 99.8 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R138.1 million, or 54.1 per cent of the adjusted appropriation of R255.5 million for the year. In comparison, mid-year expenditure in 2016/17 was R134.8 million, or 55.7 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R3.4 million, or 2.5 per cent. This is mainly due to the settlement in the first six months of 2017/18 of accrual payments from 2016/17 in relation to audit costs, legal costs, fleet services, operating leases and property payments. These payments had to be deferred to 2017/18 for the directorate's spending to remain within the available budget.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	307	222	72.3	285	92.8	201	218	100.0	88	40.4
Sales of goods and services produced by department	95	48	50.5	98	103.2	92	103	47.2	53	51.5
Sales of scrap, waste, arms and other used current goods	1	1	100.0	–	0.0	1	1	0.5	–	0.0
Interest, dividends and rent on land	4	2	50.0	11	275.0	14	8	3.7	4	50.0
Transactions in financial assets and liabilities	207	171	82.6	176	85.0	94	106	48.6	31	29.2
Total	307	222	72.3	285	92.8	201	218	100.0	88	40.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R88 000, or 40.4 per cent of the adjusted revenue estimate of R218 000 for the year. In comparison, mid-year revenue in 2016/17 was R222 000, or 72.3 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R134 000, or 60.4 per cent. This is due to a reimbursement from the Safety and Security Sector Education and Training Authority for the 2015/16 intake of learners under the directorate's learnership programme. The authority reimburses the directorate for quarterly stipends paid to learners. The reimbursement for the last quarter of 2015/16 was paid to the directorate in the first six months of 2016/17.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme								
	2017/18							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	602	–	–	(44)	–	–	(44)	558
Safety and Security Sector Education and Training Authority	602	–	–	(44)	–	–	(44)	558
Households								
Other transfers to households								
Current	–	–	–	272	–	–	272	272
Employee social benefits	–	–	–	272	–	–	272	272
Investigation and Information Management								
Households								
Social benefits								
Current	–	–	–	275	–	–	275	275
Employee social benefits	–	–	–	275	–	–	275	275

Vote 21

Justice and Constitutional Development

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	16 786 788	16 786 788	(313 623)	313 623
of which:				
Current payments	12 940 256	12 626 633	(313 623)	–
Transfers and subsidies	2 651 352	2 658 108	–	6 756
Payments for capital assets	1 195 180	1 501 808	–	306 628
Payments for financial assets	–	239	–	239
Direct charge against the National Revenue Fund	2 140 520	2 040 520	(100 000)	–
Executive authority	Minister of Justice and Correctional Services			
Accounting officer	Director-General of Justice and Constitutional Development			
Website address	www.justice.gov.za			

Vote purpose

Uphold and protect the Constitution and the rule of law, and render accessible, fair, speedy and cost-effective administration of justice in the interests of a safer and more secure South Africa.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first five months of 2017/18 (April to August) ¹	Changed target for 2017/18
Number of criminal cases on the backlog roll in the lower courts per year	Court Services	Outcome 3: All people in South Africa are and feel safe	30 344	44 917	–
Number of courtrooms adapted in line with the sexual offences model per year	Court Services		10	2	–
Percentage of letters of appointment issued in deceased estates within 15 days from receipt of all required documents	State Legal Services		92%	96% (59 923/62 607)	–
Total number of operational Thuthuzela care centres	National Prosecuting Authority		55	55	–
Conviction rate: - High courts	National Prosecuting Authority		87% (897/1 031)	91% (344/377)	–
- Regional courts			74% (25 528/34 497)	81% (11 297/13 964)	–
- District courts			88% (248 301/282 160)	96% (123 092/128 622)	–
Total number of persons convicted of corruption or offences related to corruption where the amount involved is more than R5 million	National Prosecuting Authority		99	81	–
Value of completed forfeiture cases per year	National Prosecuting Authority		R245m	R146.5m	–
Value of freezing orders per year	National Prosecuting Authority		R789m	R325m	–
Success rate of litigated cases	National Prosecuting Authority		93% (312/335)	100% (214/214)	–

1. Only data for the first five months of 2017/18 is currently available.

Mid-year progress

In the first five months of 2017/18, the number of cases on the backlog roll in lower courts was 44 917 against an annual target of 30 344. To reduce the number of backlogged criminal cases, the department plans to collaborate and engage with other departments within the justice, crime prevention and security cluster.

The re-establishment of the sexual offences courts requires the provision of infrastructure that caters to the needs of victims. In the first five months of 2017/18, the department upgraded 2 regional courtrooms as

dedicated sexual offences courts. Although this is below the target of 10 for the year, the department expects to meet its target.

The department provides services to the beneficiaries of deceased estates. In the first five months of 2017/18, the department received 62 607 letters of appointment for executors in deceased estates and issued 59 923 appointment letters within the prescribed timeframe. This constitutes a mid-year achievement of 96 per cent against a target of 92 per cent.

In 2017/18, the specialised commercial crime unit has convicted 8 people of corruption or offences relating to corruption where the amount involved is more than R5 million. This translates into a cumulative total of 81 corruption convictions since the implementation of the 2014-2019 medium-term strategic framework. The lower than expected achievement is mainly due to capacity constraints within the unit. However, the National Prosecuting Authority is on track to achieve the remainder of its targets by the end of the year.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration	2 129 281	–	–	(331 370)	–	(11 058)	(342 428)	1 786 853
Court Services	6 276 828	–	–	327 770	–	–	327 770	6 604 598
State Legal Services	1 221 218	–	–	–	–	11 058	11 058	1 232 276
National Prosecuting Authority	3 684 311	–	–	–	–	–	–	3 684 311
Auxiliary and Associated Services	3 475 150	–	–	3 600	–	–	3 600	3 478 750
Sub-total	16 786 788	–	–	–	–	–	–	16 786 788
Direct charge against the National Revenue Fund	2 140 520	–	–	–	(100 000)	–	(100 000)	2 040 520
Magistrates' salaries	2 140 520	–	–	–	(100 000)	–	(100 000)	2 040 520
Total	18 927 308	–	–	–	(100 000)	–	(100 000)	18 827 308
Economic classification								
Current payments	15 014 482	–	–	(313 612)	(100 000)	(11)	(413 623)	14 600 859
Compensation of employees	10 578 040	–	–	157 000	(100 000)	–	57 000	10 635 040
Goods and services	4 436 442	–	–	(470 612)	–	(11)	(470 623)	3 965 819
Transfers and subsidies	2 717 646	–	–	6 756	–	–	6 756	2 724 402
Provinces and municipalities	613	–	–	38	–	–	38	651
Departmental agencies and accounts	2 599 578	–	–	53	–	–	53	2 599 631
Foreign governments and international organisations	16 000	–	–	–	–	–	–	16 000
Households	101 455	–	–	6 665	–	–	6 665	108 120
Payments for capital assets	1 195 180	–	–	306 628	–	–	306 628	1 501 808
Buildings and other fixed structures	769 317	–	–	309 240	–	–	309 240	1 078 557
Machinery and equipment	425 863	–	–	(2 612)	–	–	(2 612)	423 251
Payments for financial assets	–	–	–	228	–	11	239	239
Total	18 927 308	–	–	–	(100 000)	–	(100 000)	18 827 308

Programme 1: Administration

Subprogramme	2017/18							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	36 606	–	–	(2 000)	–	–	(2 000)	34 606
Management	141 909	–	–	(6 000)	–	(86 454)	(92 454)	49 455
Corporate Services	421 932	–	–	(12 000)	–	48 748	36 748	458 680
Financial Administration	202 676	–	–	(8 000)	–	26 648	18 648	221 324
Internal Audit	97 536	–	–	(3 370)	–	–	(3 370)	94 166
Office Accommodation	1 228 622	–	–	(300 000)	–	–	(300 000)	928 622
Total	2 129 281	–	–	(331 370)	–	(11 058)	(342 428)	1 786 853
Economic classification								
Current payments	2 098 554	–	–	(333 388)	–	(10 910)	(344 298)	1 754 256
Compensation of employees	572 747	–	–	–	–	(5 800)	(5 800)	566 947
Goods and services	1 525 807	–	–	(333 388)	–	(5 110)	(338 498)	1 187 309
Transfers and subsidies	15 845	–	–	1 785	–	–	1 785	17 630
Provinces and municipalities	38	–	–	10	–	–	10	48
Departmental agencies and accounts	15 538	–	–	20	–	–	20	15 558
Households	269	–	–	1 755	–	–	1 755	2 024
Payments for capital assets	14 882	–	–	100	–	(159)	(59)	14 823
Machinery and equipment	14 882	–	–	100	–	(159)	(59)	14 823
Payments for financial assets	–	–	–	133	–	11	144	144
Total	2 129 281	–	–	(331 370)	–	(11 058)	(342 428)	1 786 853

Programme 2: Court Services

Subprogramme		2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
Lower Courts	4 599 086	–	–	12 272	–	–	12 272	4 611 358
Family Advocate	224 234	–	–	–	–	–	–	224 234
Magistrate's Commission	17 770	–	–	–	–	–	–	17 770
Facilities Management	852 764	–	–	304 342	–	–	304 342	1 157 106
Administration of Lower Courts	582 974	–	–	11 156	–	–	11 156	594 130
Total	6 276 828	–	–	327 770	–	–	327 770	6 604 598
Economic classification								
Current payments	5 376 987	–	–	4 463	–	–	4 463	5 381 450
Compensation of employees	3 797 819	–	–	81 000	–	–	81 000	3 878 819
Goods and services	1 579 168	–	–	(76 537)	–	–	(76 537)	1 502 631
Transfers and subsidies	25 738	–	–	1 719	–	–	1 719	27 457
Provinces and municipalities	545	–	–	28	–	–	28	573
Departmental agencies and accounts	21	–	–	31	–	–	31	52
Households	25 172	–	–	1 660	–	–	1 660	26 832
Payments for capital assets	874 103	–	–	321 528	–	–	321 528	1 195 631
Buildings and other fixed structures	769 317	–	–	309 240	–	–	309 240	1 078 557
Machinery and equipment	104 786	–	–	12 288	–	–	12 288	117 074
Payments for financial assets	–	–	–	60	–	–	60	60
Total	6 276 828	–	–	327 770	–	–	327 770	6 604 598

Programme 3: State Legal Services

Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
State Law Advisors	72 910	–	–	(1 000)	–	–	(1 000)	71 910
Litigation and Legal Services	474 836	–	–	–	–	–	–	474 836
Legislative Development and Law Reform	88 499	–	–	1 000	–	–	1 000	89 499
Master of the High Court	504 124	–	–	–	–	–	–	504 124
Constitutional Development	80 849	–	–	–	–	11 058	11 058	91 907
Total	1 221 218	–	–	–	–	11 058	11 058	1 232 276
Economic classification								
Current payments	1 186 650	–	–	(3 253)	–	10 899	7 646	1 194 296
Compensation of employees	1 022 029	–	–	19 000	–	5 800	24 800	1 046 829
Goods and services	164 621	–	–	(22 253)	–	5 099	(17 154)	147 467
Transfers and subsidies	17 809	–	–	3 252	–	–	3 252	21 061
Provinces and municipalities	30	–	–	–	–	–	–	30
Departmental agencies and accounts	1	–	–	2	–	–	2	3
Foreign governments and international organisations	16 000	–	–	–	–	–	–	16 000
Households	1 778	–	–	3 250	–	–	3 250	5 028
Payments for capital assets	16 759	–	–	–	–	159	159	16 918
Machinery and equipment	16 759	–	–	–	–	159	159	16 918
Payments for financial assets	–	–	–	1	–	–	1	1
Total	1 221 218	–	–	–	–	11 058	11 058	1 232 276

Programme 4: National Prosecuting Authority

2017/18								
Subprogramme		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
National Prosecutions Service	2 897 010	—	—	16 500	—	—	16 500	2 913 510
Asset Forfeiture Unit	131 909	—	—	—	—	—	—	131 909
Office for Witness Protection	175 683	—	—	6 000	—	—	6 000	181 683
Support Services	479 709	—	—	(22 500)	—	—	(22 500)	457 209
Total	3 684 311	—	—	—	—	—	—	3 684 311
Economic classification								
Current payments	3 623 728	—	—	14 966	—	—	14 966	3 638 694
Compensation of employees	3 111 219	—	—	57 000	—	—	57 000	3 168 219
Goods and services	512 509	—	—	(42 034)	—	—	(42 034)	470 475
Transfers and subsidies	16 935	—	—	—	—	—	—	16 935
Departmental agencies and accounts	8 993	—	—	—	—	—	—	8 993
Households	7 942	—	—	—	—	—	—	7 942
Payments for capital assets	43 648	—	—	(15 000)	—	—	(15 000)	28 648
Machinery and equipment	43 648	—	—	(15 000)	—	—	(15 000)	28 648
Payments for financial assets	—	—	—	34	—	—	34	34
Total	3 684 311	—	—	—	—	—	—	3 684 311

Programme 5: Auxiliary and Associated Services

		2017/18					
Subprogramme		Adjustments appropriation					
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
							Adjusted appropriation
Legal Aid South Africa	1 754 394	—	—	—	—	—	1 754 394
Special Investigating Unit	346 177	—	—	—	—	—	346 177
Public Protector of South Africa	301 093	—	—	—	—	—	301 093
South African Human Rights Commission	173 360	—	—	—	—	—	173 360
Justice Modernisation	900 125	—	—	3 600	—	—	903 725
President's Fund	1	—	—	—	—	—	1
Total	3 475 150	—	—	3 600	—	—	3 478 750
Economic classification							
Current payments	654 337	—	—	3 600	—	—	657 937
Goods and services	654 337	—	—	3 600	—	—	657 937
Transfers and subsidies	2 575 025	—	—	—	—	—	2 575 025
Departmental agencies and accounts	2 575 025	—	—	—	—	—	2 575 025
Payments for capital assets	245 788	—	—	—	—	—	245 788
Machinery and equipment	245 788	—	—	—	—	—	245 788
Total	3 475 150	—	—	3 600	—	—	3 478 750

Direct charges against the National Revenue Fund

		2017/18					
		Adjustments appropriation					
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
							Adjusted appropriation
Magistrates' salaries	2 140 520	—	—	—	(100 000)	—	(100 000)
Total	2 140 520	—	—	—	(100 000)	—	2 040 520
Economic classification							
Current payments	2 074 226	—	—	—	(100 000)	—	1 974 226
Compensation of employees	2 074 226	—	—	—	(100 000)	—	1 974 226
Transfers and subsidies	66 294	—	—	—	—	—	66 294
Households	66 294	—	—	—	—	—	66 294
Total	2 140 520	—	—	—	(100 000)	—	2 040 520

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Court Services					
3. State Legal Services					
4. National Prosecuting Authority					
5. Auxiliary and Associated Services					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(333 388)	Programme 1		2 018
Goods and services	Cost containment measures effected on travel and subsistence	(20)	Departmental agencies and accounts	Television licences	20
	Cost containment measures effected on travel and subsistence	(10)	Provinces and municipalities	Vehicle licences	10
	Cost containment measures effected on rental and hiring, and travel and subsistence	(1 755)	Households	Leave gratuities	1 755
	Cost containment measures effected on travel and subsistence	(133)	Payments for financial assets	Financial assets for theft and losses	133
	Cost containment measures effected on rental and hiring	(100)	Machinery and equipment	Office furniture	100
	Cost containment measures effected on administration fees, agency and outsourced/ support services, communications, operating payments, and travel and subsistence	(27 770)	Programme 2		327 770
	Operating leases and property payments ¹	(300 000)	Compensation of employees	Personnel remuneration ¹	27 770
	Cost containment measures effected on advertising, and training and development	(3 600)	Buildings and other fixed structures	Infrastructure projects ²	300 000
			Programme 5		3 600
			Goods and services	Closed-circuit television system	3 600
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		15.6% ²			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(76 537)	Programme 2		76 537
Goods and services	Cost containment measures effected on agency and support/ outsourced services	(53 230)	Compensation of employees	Personnel remuneration ¹	53 230
	Reclassification of funds incorrectly classified in the 2017 ENE	(9 240)	Buildings and other fixed structures	Mobile offices	9 240
	Cost containment measures effected on communications and operating payments	(31)	Departmental agencies and accounts	Television and vehicle licences	31
	Cost containment measures effected on communications and operating payments	(28)	Provinces and municipalities	Vehicle licences	28
	Cost containment measures effected on communications and operating payments	(1 660)	Households	Leave gratuities	1 660
	Cost containment measures effected on communications, contractors and fleet services	(60)	Payments for financial assets	Offsetting of payment for financial assets for theft and losses	60
	Cost containment measures effected on agency and support/outsourced services, consumables, and property payments	(12 288)	Machinery and equipment	Office furniture for courts	12 288
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(22 253)	Programme 3		22 253
Goods and services	Cost containment measures effected on minor assets, property payments, and travel and subsistence	(19 000)	Compensation of employees	Personnel remuneration ¹	19 000
	Cost containment measures effected on training and development	(2)	Departmental agencies and accounts	Television licences	2
	Cost containment measures effected on operating payments, training and development, and travel and subsistence	(3 250)	Households	Leave gratuities and claims against the state	3 250
	Cost containment measures effected on operating payments	(1)	Payments for financial assets	Financial assets for thefts and losses	1
Shifts within the programme as a percentage of the programme budget		1.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 4		(57 034)	Programme 4		57 034
Goods and services	Cost containment measures effected on communications, consumables, property payments, and travel and subsistence	(42 000)	Compensation of employees	Personnel remuneration ¹	42 000
	Cost containment measures effected on travel and subsistence	(34)	Payments for financial assets	Financial assets for theft and losses	34
Machinery and equipment	Vehicles ²	(15 000)	Compensation of employees	Personnel remuneration ¹	15 000
Shifts within the programme as a percentage of the programme budget		1.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(489 212)	489 212		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Declared unspent funds – R100 million

Direct charges against the National Revenue Fund

R100 million in unspent funds has been declared on compensation of employees due to delays in the filling of vacant posts for magistrates.

Other adjustments – R11.058 million

Funds shifted within a vote following a function shift

Programme 3: State Legal Services

R11.058 million has been transferred from the *Administration* programme following the shifting of the Truth and Reconciliation Commission function to the *Constitutional Development* subprogramme.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17 % of adjusted appropriation	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17 % of adjusted appropriation	Apr 17 - Sep 17 % of adjusted appropriation	
R thousand									
Administration	2 130 934	1 027 173	48.2	1 969 006	92.4	1 786 853	9.5	837 996	46.9
Court Services	6 061 588	3 145 902	51.9	6 272 604	103.5	6 604 598	35.1	3 003 620	45.5
State Legal Services	1 126 469	530 408	47.1	1 104 981	98.1	1 232 276	6.5	543 757	44.1
National Prosecuting Authority	3 557 505	1 768 511	49.7	3 554 576	99.9	3 684 311	19.6	1 865 880	50.6
Auxiliary and Associated Services	3 164 240	1 420 369	44.9	3 137 855	99.2	3 478 750	18.5	1 588 390	45.7
Subtotal	16 040 736	7 892 363	49.2	16 039 022	100.0	16 786 788	89.2	7 839 643	46.7
Direct charge against the National Revenue Fund	2 010 162	886 902	44.1	1 845 713	91.8	2 040 520	10.8	924 591	45.3
Magistrates' salaries	2 010 162	886 902	44.1	1 845 713	91.8	2 040 520	10.8	924 591	45.3
Total	18 050 898	8 779 265	48.6	17 884 735	99.1	18 827 308	100.0	8 764 234	46.6
Economic classification									
Current payments	14 415 334	6 892 337	47.8	14 085 788	97.7	14 600 859	77.6	6 884 499	47.2
Compensation of employees	10 040 197	4 904 226	48.8	9 995 427	99.6	10 635 040	56.5	5 121 564	48.2
Goods and services	4 375 137	1 988 111	45.4	4 090 361	93.5	3 965 819	21.1	1 762 935	44.5
Transfers and subsidies	2 449 942	1 191 892	48.6	2 418 398	98.7	2 724 402	14.5	1 340 517	49.2
Provinces and municipalities	520	271	52.1	634	121.9	651	0.0	242	37.2
Departmental agencies and accounts	2 334 713	1 156 651	49.5	2 334 725	100.0	2 599 631	13.8	1 306 637	50.3
Higher education institutions	15 222	–	0.0	13 484	88.6	–	0.0	–	0.0
Foreign governments and international organisations	–	–	–	–	–	16 000	0.1	–	0.0
Households	99 487	34 970	35.2	69 555	69.9	108 120	0.6	33 638	31.1
Payments for capital assets	1 180 981	690 691	58.5	1 370 957	116.1	1 501 808	8.0	538 686	35.9
Buildings and other fixed structures	721 129	600 066	83.2	1 023 045	141.9	1 078 557	5.7	424 580	39.4
Machinery and equipment	459 842	90 609	19.7	347 727	75.6	423 251	2.2	114 106	27.0
Software and other intangible assets	10	16	160.0	185	1850.0	–	0.0	–	0.0
Payments for financial assets	4 641	4 345	93.6	9 592	206.7	239	0.0	532	222.6
Total	18 050 898	8 779 265	48.6	17 884 735	99.1	18 827 308	100.0	8 764 234	46.6

Expenditure trends for the first half of 2017/18

Total expenditure in 2016/17 was R17.9 billion, or 99.1 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R8.8 billion, or 46.6 per cent of the adjusted appropriation of R18.8 billion for the year. In comparison, mid-year expenditure in 2016/17 was R8.8 billion, or 48.6 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R15 million, or 0.2 per cent. This is mainly due to delays in the establishment of the Information Regulator, and invoices for office accommodation that were not paid because of a lack of supporting documentation.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	460 254	185 877	40.4	371 360	80.7	390 346	397 717	100.0	163 018	41.0
Sales of goods and services produced by department	63 735	28 927	45.4	53 638	84.2	67 239	67 243	16.9	23 995	35.7
Sales of scrap, waste, arms and other used current goods	177	20	11.3	60	33.9	186	221	0.1	81	36.7
Transfers received	112	46	41.1	485	433.0	118	6 980	1.8	4 980	71.3
Fines, penalties and forfeits	318 490	121 910	38.3	254 374	79.9	241 057	241 321	60.7	108 143	44.8
Interest, dividends and rent on land	5 506	3 305	60.0	8 553	155.3	5 809	5 809	1.5	2 843	48.9
Sales of capital assets	2 110	34	1.6	56	2.7	2 226	2 226	0.6	427	19.2
Transactions in financial assets and liabilities	70 124	31 635	45.1	54 194	77.3	73 711	73 917	18.6	22 549	30.5
Total	460 254	185 877	40.4	371 360	80.7	390 346	397 717	100.0	163 018	41.0

Revenue trends for the first half of 2017/18

Revenue in the first six months of 2017/18 was R163 million, or 41 per cent of the adjusted revenue estimate of R397.7 million for the year. In comparison, mid-year revenue in 2016/17 was R185.9 million, or 40.4 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R22.9 million, or 12.3 per cent. This is mainly due to a decrease in the number of court fines, forfeitures and penalties received, as well as a change in the recognition of unallocated amounts under Third Party Funds.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	38	–	–	10	–	–	10	48
Vehicle licences	38	–	–	10	–	–	10	48
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	–	–	–	20	–	–	20	20
Communication	–	–	–	20	–	–	20	20
Households								
Social benefits								
Current	269	–	–	1 755	–	–	1 755	2 024
Employee social benefits	269	–	–	1 755	–	–	1 755	2 024
Court Services								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	545	–	–	28	–	–	28	573
Vehicle licences	545	–	–	28	–	–	28	573
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	21	–	–	31	–	–	31	52
Communication	21	–	–	31	–	–	31	52

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

Summary of changes to transfers and subsidies per programme (continued)								
2017/18								
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Households								
Social benefits								
Current	24 093	–	–	1 656	–	–	1 656	25 749
Employee social benefits	24 093	–	–	1 656	–	–	1 656	25 749
Households								
Other transfers to households								
Current	1 079	–	–	4	–	–	4	1 083
Claims against the state	1 079	–	–	4	–	–	4	1 083
State Legal Services								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	1	–	–	2	–	–	2	3
Communication	1	–	–	2	–	–	2	3
Households								
Social benefits								
Current	1 778	–	–	1 450	–	–	1 450	3 228
Employee social benefits	1 778	–	–	1 450	–	–	1 450	3 228
Households								
Other transfers to households								
Current	–	–	–	1 800	–	–	1 800	1 800
Claims against state	–	–	–	1 800	–	–	1 800	1 800

Vote 22

Office of the Chief Justice and Judicial Administration

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 018 565	1 019 318	(22 988)	23 741
of which:				
Current payments	936 173	913 489	(22 684)	–
Transfers and subsidies	1 501	1 197	(304)	–
Payments for capital assets	80 891	104 632	–	23 741
Direct charge against the National Revenue Fund	966 060	966 060	–	–
Executive authority	Minister of Justice and Correctional Services			
Accounting officer	Secretary-General of Office of the Chief Justice			
Website address	www.judiciary.org.za			

Vote purpose

Strengthen judicial governance and independence by rendering effective support to the Chief Justice in executing administrative and judicial powers and duties as both head of the judiciary and the Constitutional Court.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to August) ¹	Changed target for 2017/18
Number of superior courts performance monitoring reports produced per year	Superior Court Services	Outcome 3: All people in South Africa are and feel safe	5	3	–
Percentage of default judgments finalised by registrars per year	Superior Court Services		80%	78% (7 694/9 810)	–
Percentage of taxations of legal costs finalised per year	Superior Court Services		80%	95% (4 821/5 071)	–
Number of judicial education courses conducted per year	Judicial Education and Support		77	50	–

¹ Only data for the first five months of 2017/18 is currently available.

Mid-year progress

In the first five months of the financial year, 3 monitoring reports on the performance of superior courts were produced against the annual target of 5, and 50 judicial education courses were conducted against an annual target of 77.

78 per cent of default judgments were finalised against a target of 80 per cent, and 95 per cent of taxations of legal costs were finalised against a target of 80 per cent due to improved controls that the department put in place to ensure that taxations are dealt with promptly.

The department expects to meet all its performance targets by the end of 2017/18 as a result of the effective implementation of norms and standards for the performance of judicial officers, to improve the efficiency of the court system.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration	198 991	–	–	(15 250)	–	–	(15 250)	183 741
Superior Court Services	737 470	–	–	20 445	–	753	21 198	758 668
Judicial Education and Support	82 104	–	–	(5 195)	–	–	(5 195)	76 909
Sub-total	1 018 565	–	–	–	–	753	753	1 019 318
Direct charge against the National Revenue Fund	966 060	–	–	–	–	–	–	966 060
Judges' salaries	966 060	–	–	–	–	–	–	966 060
Total	1 984 625	–	–	–	–	753	753	1 985 378
Economic classification								
Current payments	1 844 414	–	–	(23 437)	–	753	(22 684)	1 821 730
Compensation of employees	1 524 040	–	–	–	–	–	–	1 524 040
Goods and services	320 374	–	–	(23 441)	–	753	(22 688)	297 686
Interest and rent on land	–	–	–	4	–	–	4	4
Transfers and subsidies	59 320	–	–	(304)	–	–	(304)	59 016
Provinces and municipalities	67	–	–	(67)	–	–	(67)	–
Departmental agencies and accounts	13	–	–	(13)	–	–	(13)	–
Households	59 240	–	–	(224)	–	–	(224)	59 016
Payments for capital assets	80 891	–	–	23 741	–	–	23 741	104 632
Machinery and equipment	65 891	–	–	23 741	–	–	23 741	89 632
Software and other intangible assets	15 000	–	–	–	–	–	–	15 000
Total	1 984 625	–	–	–	–	753	753	1 985 378

Programme 1: Administration

Programme Administration		2017/18						
Subprogramme		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Management	33 813	—	—	670	—	—	670	34 483
Corporate Services	111 267	—	—	(10 170)	—	—	(10 170)	101 097
Financial Administration	26 156	—	—	1 649	—	—	1 649	27 805
Internal Audit	14 294	—	—	11	—	—	11	14 305
Office Accommodation	13 461	—	—	(7 410)	—	—	(7 410)	6 051
Total	198 991	—	—	(15 250)	—	—	(15 250)	183 741
Economic classification								
Current payments	165 887	—	—	(6 143)	—	—	(6 143)	159 744
Compensation of employees	83 481	—	—	(80)	—	—	(80)	83 401
Goods and services	82 406	—	—	(6 067)	—	—	(6 067)	76 339
Interest and rent on land	—	—	—	4	—	—	4	4
Transfers and subsidies	5	—	—	(5)	—	—	(5)	—
Departmental agencies and accounts	5	—	—	(5)	—	—	(5)	—
Payments for capital assets	33 099	—	—	(9 102)	—	—	(9 102)	23 997
Machinery and equipment	18 099	—	—	(9 102)	—	—	(9 102)	8 997
Software and other intangible assets	15 000	—	—	—	—	—	—	15 000
Total	198 991	—	—	(15 250)	—	—	(15 250)	183 741

Programme 2: Superior Court Services

Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration of Superior Courts	25 734	–	–	(9 954)	–	–	(9 954)	15 780
Constitutional Court	67 577	–	–	2 265	–	753	3 018	70 595
Supreme Court of Appeal	28 020	–	–	5 560	–	–	5 560	33 580
High Courts	557 373	–	–	22 917	–	–	22 917	580 290
Specialised Courts	58 766	–	–	(343)	–	–	(343)	58 423
Total	737 470	–	–	20 445	–	753	21 198	758 668
Economic classification								
Current payments	695 765	–	–	(11 491)	–	753	(10 738)	685 027
Compensation of employees	511 879	–	–	502	–	–	502	512 381
Goods and services	183 886	–	–	(11 993)	–	753	(11 240)	172 646

Programme 2: Superior Court Services (continued)

Economic classification		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Transfers and subsidies	1 496	–	–	(299)	–	–	(299)	1 197
Provinces and municipalities	67	–	–	(67)	–	–	(67)	–
Departmental agencies and accounts	8	–	–	(8)	–	–	(8)	–
Households	1 421	–	–	(224)	–	–	(224)	1 197
Payments for capital assets	40 209	–	–	32 235	–	–	32 235	72 444
Machinery and equipment	40 209	–	–	32 235	–	–	32 235	72 444
Total	737 470	–	–	20 445	–	753	21 198	758 668

Programme 3: Judicial Education and Support

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
South African Judicial Education Institute	49 036	–	–	(1 026)	–	–	(1 026)	48 010
Judicial Policy and Research	19 849	–	–	(1 525)	–	–	(1 525)	18 324
Judicial Service Commission	13 219	–	–	(2 644)	–	–	(2 644)	10 575
Total	82 104	–	–	(5 195)	–	–	(5 195)	76 909
Economic classification								
Current payments	74 521	–	–	(5 803)	–	–	(5 803)	68 718
Compensation of employees	20 439	–	–	(422)	–	–	(422)	20 017
Goods and services	54 082	–	–	(5 381)	–	–	(5 381)	48 701
Payments for capital assets	7 583	–	–	608	–	–	608	8 191
Machinery and equipment	7 583	–	–	608	–	–	608	8 191
Total	82 104	–	–	(5 195)	–	–	(5 195)	76 909

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Superior Court Services					
3. Judicial Education and Support					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(15 254)	Programme 2		5
Departmental agencies and accounts	Television licence fees ²	(5)	Machinery and equipment	Lease payments	5
Goods and services	Cost containment measures effected on travel and subsistence	(4)	Programme 1		4
	Cost containment measures effected on travel and subsistence	(6 063)	Interest and rent on land	Interest charges	4
Compensation of employees	Vacant posts	(80)	Programme 2		15 245
Machinery and equipment	Operating leases	(9 102)	Machinery and equipment	Lease payments	6 063
Shifts within the programme as a percentage of the programme budget		3.0%	Compensation of employees	Personnel remuneration	80
Virements to other programmes as a percentage of the programme budget		7.7%	Machinery and equipment	Lease payments	9 102
Programme 2		(12 292)	Programme 2		12 292
Departmental agencies and accounts	Television licence fees ¹	(8)	Machinery and equipment	Lease payments	8
Goods and services	Cost containment measures effected on minor assets, and venues and facilities	(11 993)	Machinery and equipment	Lease payments	11 993
Households	Leave gratuities	(224)	Machinery and equipment	Lease payments	224
Provinces and municipalities	Vehicle licences ¹	(67)	Machinery and equipment	Lease payments	67
Shifts within the programme as a percentage of the programme budget		2.6%			
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		(5 803)	Programme 2		4 773
Goods and services	Cost containment measures effected on venues and facilities	(4 773)	Machinery and equipment	Lease payments	4 773
	Cost containment measures effected on venues and facilities	(608)	Programme 3		608
			Machinery and equipment	Finance leases for photocopying machines	608
Compensation of employees	Vacant posts	(422)	Programme 2		422
Shifts within the programme as a percentage of the programme budget		3.9%	Compensation of employees	Personnel remuneration	422
Virements to other programmes as a percentage of the programme budget		6.3%			
Total		(33 349)			33 349

1. National Treasury approval has been granted.

2. Only the legislature may approve this virement.

Other adjustments – R752 728

Self-financing expenditure

Programme 2: Superior Court Services

Revenue of R752 728 has been generated from the Conference of Constitutional Jurisdictions of Africa. This will be returned to the vote from the National Revenue Fund and will be used to reduce the shortfall on the department's budget from hosting the conference in April.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	144 999	71 421	49.3	139 079	95.9	183 741	9.3	86 414	47.0
Superior Court Services	679 052	301 106	44.3	675 647	99.5	758 668	38.2	380 408	50.1
Judicial Education and Support	49 939	17 723	35.5	40 918	81.9	76 909	3.9	21 528	28.0
Subtotal	873 990	390 250	44.7	855 644	97.9	1 019 318	51.3	488 350	47.9
National Revenue Fund	950 057	476 666	50.2	930 704	98.0	966 060	48.7	478 422	49.5
Judges' salaries	950 057	476 666	50.2	930 704	98.0	966 060	48.7	478 422	49.5
Total	1 824 047	866 916	47.5	1 786 348	97.9	1 985 378	100.0	966 772	48.7
Economic classification									
Current payments	1 681 333	804 282	47.8	1 636 780	97.4	1 821 730	91.8	884 036	48.5
Compensation of employees	1 423 415	698 065	49.0	1 418 646	99.7	1 524 040	76.8	739 788	48.5
Goods and services	257 918	106 217	41.2	218 133	84.6	297 686	15.0	144 218	48.4
Interest and rent on land	—	—	—	1	—	4	—	30	750.0
Transfers and subsidies	83 309	38 257	45.9	50 574	60.7	59 016	3.0	31 597	53.5
Provinces and municipalities	38	1	2.6	1	2.6	—	—	—	—
Departmental agencies and accounts	1	—	—	—	—	—	—	—	—
Households	83 270	38 256	45.9	50 573	60.7	59 016	3.0	31 597	53.5
Payments for capital assets	59 405	24 377	41.0	98 994	166.6	104 632	5.3	51 139	48.9
Buildings and other fixed structures	—	—	—	100	—	—	—	—	—
Machinery and equipment	59 405	24 377	41.0	98 894	166.5	89 632	4.5	51 064	57.0
Software and other intangible assets	—	—	—	—	—	15 000	0.8	75	0.5
Total	1 824 047	866 916	47.5	1 786 348	97.9	1 985 378	100.0	966 772	48.7

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R1.8 billion, or 97.9 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of the 2017/18 was R966.8 million or 48.7 per cent of the adjusted appropriation of R2 billion for the year. In comparison, mid-year expenditure in 2016/17 was R866.9 million, or 47.5 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of

2016/17, expenditure over the same period in 2017/18 increased by R99.9 million, or 11.5 per cent. This is mainly due to the hosting of the Conference of Constitutional Jurisdictions of Africa, an increase in spending on compensation of employees due to the filling of vacancies, and the rental of vehicles for judges.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	784	499	63.6	929	118.5	796	1 869	100.0	1 565	83.7
Sales of goods and services produced by department	580	368	63.4	673	116.0	518	555	29.7	286	51.5
Sales of scrap, waste, arms and other used current goods	16	10	62.5	23	143.8	–	2	0.1	1	50.0
Transfers received	–	–	–	–	–	–	753	40.3	753	100.0
Fines, penalties and forfeits	92	50	54.3	50	54.3	41	–	–	–	–
Interest, dividends and rent on land	–	–	–	21	–	–	47	2.5	23	48.9
Transactions in financial assets and liabilities	96	71	74.0	162	168.8	237	512	27.4	502	98.0
Total	784	499	63.6	929	118.5	796	1 869	100.0	1 565	83.7

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R1.6 million, or 83.7 per cent of the adjusted revenue estimate of R1.9 million for the year. In comparison, mid-year revenue in 2016/17 was R499 000, or 63.6 per cent of the 2016/17 adjusted revenue estimate. Compared to the first six months of the 2016/17, revenue over the same period in 2017/18 increased by R1.1 million, or 213.6 per cent. This is mainly due to financial assistance received from the Conference of Constitutional Jurisdictions of Africa for hosting the conference in April, and an increase in claims collected that were outstanding from previous financial years.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme								
		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	5	-	-	(5)	-	-	(5)	-
Communication	5	-	-	(5)	-	-	(5)	-
Superior Court Services								
Provinces and municipalities								
Municipalities								
Municipal agencies and funds								
Current	67	-	-	(67)	-	-	(67)	-
Vehicle licences	67	-	-	(67)	-	-	(67)	-
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	8	-	-	(8)	-	-	(8)	-
Communication	8	-	-	(8)	-	-	(8)	-
Households								
Social benefits								
Current	1 421	-	-	(224)	-	-	(224)	1 197
Employee social benefits	1 421	-	-	(224)	-	-	(224)	1 197

Vote 23

Police

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	87 025 128	86 761 128	(264 000)	–
of which:				
Current payments	82 388 046	82 124 046	(264 000)	–
Transfers and subsidies	1 037 025	1 037 025	–	–
Payments for capital assets	3 600 057	3 600 057	–	–
Executive authority	Minister of Police			
Accounting officer	National Commissioner of the South African Police Service			
Website address	www.saps.gov.za			

Vote purpose

Prevent, combat and investigate crime, maintain public order, protect and secure the inhabitants of South Africa and their property, and uphold and enforce the law.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first three months of 2017/18 (April to June) ¹	Changed target for 2017/18
Number of serious crimes reported per year	Visible Policing	Outcome 3: All people in South Africa are and feel safe	1 717 742 ²	403 912	–
Number of crimes reported for unlawful possession of, and dealing in, drugs per year	Visible Policing		371 833 ²	74 137	–
Percentage of crime-related hits reacted to as a result of the movement control system screening of: - Wanted persons - Stolen or robbed vehicles	Visible Policing		100% 100%	100% (585) 100% (802)	–
Percentage of medium- to high-risk incidents responded to in relation to requests received	Visible Policing		100%	100% (729)	–
Detection rate for serious crimes per year	Detective Services		37%	36.02% (766 912/2 129 201)	–
Percentage of trial-ready case dockets for serious commercial crime-related charges per year	Detective Services		53%	68.90% (11 874/17 234)	–
Percentage of original previous conviction reports for formally charged individuals generated within 15 calendar days per year	Detective Services		95%	98.50% (284 078/288 412)	–
Number of network operations conducted per year	Crime Intelligence		759 ²	195	–
Percentage of national key points evaluated in compliance with the National Key Points Act (1980)	Protection and Security Services		100%	25.60% (53/207)	–

1. Only data for the first quarter is currently available.

2. Target differs from target published in the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

Mid-year progress

The implementation of a recovery plan in 2016/17 improved the department's performance in its work towards achieving the majority of the indicators in the *Detective Services* programme in the first quarter of 2017/18. At the end of the quarter, the department was ahead of its annual targets for the percentage of trial-ready case dockets for serious commercial crime-related charges per year, and for the percentage of original previous conviction reports for formally charged individuals generated within 15 days. The percentage of original previous conviction reports for formally charged individuals generated within 15 days increased from 95.7 per cent in the first quarter of 2016/17 to 98.5 per cent in the same period in 2017/18.

The number of crimes reported for unlawful possession of, and dealing in, drugs per year increased from 67 713 in the first quarter of 2016/17 to 74 137 in the same period in 2017/18. The increase in the number of crimes reported in 2017/18 was due to the implementation of the drug master plan and the adoption of an integrated approach towards combating drug-related crimes by police and other law enforcement agencies.

The number of network operations conducted increased from 115 in the first quarter of 2016/17 to 195 in the same period in 2017/18. This improved performance was mainly due to the introduction of interventions that were aimed at shortening the turnaround time on crime intelligence operations.

Adjusted Estimates of National Expenditure 2017

Programme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	18 636 413	–	–	–	–	–	–	18 636 413
Visible Policing	44 100 008	–	–	–	–	–	–	44 100 008
Detective Services	17 934 597	–	–	–	–	(264 000)	(264 000)	17 670 597
Crime Intelligence	3 546 032	–	–	–	–	–	–	3 546 032
Protection and Security Services	2 808 078	–	–	–	–	–	–	2 808 078
Total	87 025 128	–	–	–	–	(264 000)	(264 000)	86 761 128
Economic classification								
Current payments	82 388 046	–	–	–	–	(264 000)	(264 000)	82 124 046
Compensation of employees	66 196 773	–	–	–	–	–	–	66 196 773
Goods and services	16 191 273	–	–	–	–	(264 000)	(264 000)	15 927 273
Transfers and subsidies	1 037 025	–	–	–	–	–	–	1 037 025
Provinces and municipalities	43 815	–	–	–	–	–	–	43 815
Departmental agencies and accounts	166 081	–	–	–	–	–	–	166 081
Households	827 129	–	–	–	–	–	–	827 129
Payments for capital assets	3 600 057	–	–	–	–	–	–	3 600 057
Buildings and other fixed structures	891 513	–	–	–	–	–	–	891 513
Machinery and equipment	2 696 544	–	–	–	–	–	–	2 696 544
Biological assets	12 000	–	–	–	–	–	–	12 000
Total	87 025 128	–	–	–	–	(264 000)	(264 000)	86 761 128

Programme 3: Detective Services

Subprogramme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Crime Investigations	11 991 548	–	–	–	–	–	–	11 991 548
Criminal Record Centre	2 441 693	–	–	–	–	–	–	2 441 693
Forensic Science Laboratory	1 972 521	–	–	–	–	(264 000)	(264 000)	1 708 521
Specialised Investigations	1 528 835	–	–	–	–	–	–	1 528 835
Total	17 934 597	–	–	–	–	(264 000)	(264 000)	17 670 597
Economic classification								
Current payments	17 094 271	–	–	–	–	(264 000)	(264 000)	16 830 271
Compensation of employees	14 111 922	–	–	–	–	–	–	14 111 922
Goods and services	2 982 349	–	–	–	–	(264 000)	(264 000)	2 718 349
Transfers and subsidies	91 079	–	–	–	–	–	–	91 079
Provinces and municipalities	9 935	–	–	–	–	–	–	9 935
Households	81 144	–	–	–	–	–	–	81 144
Payments for capital assets	749 247	–	–	–	–	–	–	749 247
Machinery and equipment	749 247	–	–	–	–	–	–	749 247
Total	17 934 597	–	–	–	–	(264 000)	(264 000)	17 670 597

Details of adjustments to Estimates of National Expenditure 2017

Other adjustments – R264 million

Funds shifted between votes

Programme 3: Detective Services

R264 million has been transferred to the Department of Home Affairs for the upgrading of the automated biometric information system.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	17 382 497	8 600 222	49.5	17 715 067	101.9	18 636 413	21.5	8 518 409	45.7
Visible Policing	40 865 906	19 646 924	48.1	40 612 409	99.4	44 100 008	50.8	21 638 878	49.1
Detective Services	16 772 488	7 765 087	46.3	16 723 126	99.7	17 670 597	20.4	8 654 248	49.0
Crime Intelligence	3 354 818	1 655 187	49.3	3 387 920	101.0	3 546 032	4.1	1 831 028	51.6
Protection and Security Services	2 609 142	1 254 397	48.1	2 546 314	97.6	2 808 078	3.2	1 467 143	52.2
Total	80 984 851	38 921 817	48.1	80 984 836	100.0	86 761 128	100.0	42 109 706	48.5
Economic classification									
Current payments	77 152 559	37 912 671	49.1	77 132 513	100.0	82 124 046	94.7	40 391 761	49.2
Compensation of employees	62 038 123	30 944 378	49.9	62 038 112	100.0	66 196 773	76.3	33 807 816	51.1
Goods and services	15 114 436	6 968 293	46.1	15 094 401	99.9	15 927 273	18.4	6 583 945	41.3
Transfers and subsidies	993 314	510 488	51.4	1 052 379	105.9	1 037 025	1.2	609 225	58.7
Provinces and municipalities	40 567	23 048	56.8	42 564	104.9	43 815	0.1	20 634	47.1
Departmental agencies and accounts	149 440	71 177	47.6	150 501	100.7	166 081	0.2	81 677	49.2
Households	803 307	416 263	51.8	859 314	107.0	827 129	1.0	506 914	61.3
Payments for capital assets	2 838 978	490 162	17.3	2 787 608	98.2	3 600 057	4.1	1 099 784	30.5
Buildings and other fixed structures	874 036	386 563	44.2	797 304	91.2	891 513	1.0	246 348	27.6
Machinery and equipment	1 957 042	100 207	5.1	1 634 677	83.5	2 696 544	3.1	852 234	31.6
Biological assets	7 900	3 392	42.9	4 397	55.7	12 000	0.0	1 202	10.0
Software and other intangible assets	–	–	–	351 230	–	–	–	–	–
Payments for financial assets	–	8 496	–	12 336	–	–	–	8 936	–
Total	80 984 851	38 921 817	48.1	80 984 836	100.0	86 761 128	100.0	42 109 706	48.5

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R81 billion, or 100 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R42.1 billion, or 48.5 per cent of the adjusted appropriation of R86.8 billion for the year. In comparison, mid-year expenditure in 2016/17 was R38.9 billion, or 48.1 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R3.2 billion, or 8.2 per cent. This is mainly due to an increase in expenditure on compensation of employees because of cost of living adjustments, emanating from the public sector wage agreement, for employees at levels 1 to 12.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	497 993	269 285	54.1	756 016	151.8	356 004	588 521	100.0	352 118	59.8
Sales of goods and services produced by department	211 808	110 384	52.1	220 942	104.3	158 870	307 137	52.2	165 390	53.8
Sales of scrap, waste, arms and other used current goods	25 010	16 385	65.5	44 566	178.2	15 500	5 309	0.9	2 845	53.6
Fines, penalties and forfeits	1 573	(9 400)	(597.6)	9 740	619.2	4 480	18 551	3.2	16 590	89.4
Interest, dividends and rent on land	1 133	602	53.1	1 375	121.4	865	1 135	0.2	686	60.4
Sales of capital assets	83 100	45 271	54.5	89 539	107.7	42 900	99 874	17.0	77 386	77.5
Transactions in financial assets and liabilities	175 369	106 043	60.5	389 854	222.3	133 389	156 515	26.6	89 221	57.0
Total	497 993	269 285	54.1	756 016	151.8	356 004	588 521	100.0	352 118	59.8

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R352.1 million, or 59.8 per cent of the adjusted revenue estimate of R588.5 million for the year. In comparison, mid-year revenue in 2016/17 was R269.3 million, or 54.1 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R82.8 million, or 30.8 per cent. This is mainly due to a change in the department's housing policy to standardise the rental tariffs payable by employees who occupy departmental housing to R900 per month per employee.

Vote 24

Agriculture, Forestry and Fisheries

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	6 807 034	6 847 034	(15 224)	55 224
of which:				
Current payments	2 921 471	2 906 247	(15 224)	–
Transfers and subsidies	3 774 590	3 821 261	–	46 671
Payments for capital assets	110 973	119 526	–	8 553
Executive authority	Minister of Agriculture, Forestry and Fisheries			
Accounting officer	Director-General of Agriculture, Forestry and Fisheries			
Website address	www.daff.gov.za			

Vote purpose

Lead, support and promote agricultural, forestry and fisheries resources management through policies, strategies and programmes to enhance sustainable use, and achieve economic growth, job creation, food security, rural development and transformation.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of animal and plant improvement schemes for prioritised value chain commodities monitored per year	Agricultural Production, Health and Food Safety	Outcome 7: Comprehensive rural development and land reform	4	2	–
Number of surveillances on plant diseases conducted per year	Agricultural Production, Health and Food Safety		1	1	–
Number of surveillances on animal diseases conducted per year	Agricultural Production, Health and Food Safety		2	1	–
Number of veterinary graduates deployed for the compulsory veterinary services programme per year	Agricultural Production, Health and Food Safety		150	125	–
Number of subsistence and smallholder producers supported per year	Food Security and Agrarian Reform		145 000	29 678	–
Number of hectares in underutilised areas cultivated in communal areas per year	Food Security and Agrarian Reform		120 000ha	2 220ha	–
Number of jobs created through the comprehensive agricultural support programme and Ilima/Letsema funded projects per year	Food Security and Agrarian Reform	Outcome 4: Decent employment through inclusive growth	20 000	3 024	–
Number of agro-processing entrepreneurs trained on processing norms and standards per year	Trade Promotion and Market Access	Outcome 7: Comprehensive rural development and land reform	14	40	–
Number of hectares of land restored through reforestation and land rehabilitation per year	Forestry and Natural Resources Management	Outcome 10: Protect and enhance our environmental assets and natural resources	16 300ha	3 067ha	–
Number of jobs created through the refurbishment of category B and C plantations in the expanded public works programme per year	Forestry and Natural Resources Management	Outcome 4: Decent employment through inclusive growth	1 575	267	–
Number of hectares of temporary unplanted areas planted per year	Forestry and Natural Resources Management	Outcome 10: Protect and enhance our environmental assets and natural resources	1 725ha	2.19ha	–
Number of full time equivalent Land Care jobs created per year	Forestry and Natural Resources Management	Outcome 4: Decent employment through inclusive growth	800	308	–
Number of job opportunities created in the Working for Fisheries programme per year	Fisheries		558	80	–

Mid-year progress

125 veterinary graduates out of a targeted 150 were deployed in the first half of 2017/18 for the department's compulsory veterinary services programme. The aim of the programme is to strengthen primary animal health care in rural areas, provide support to smallholder animal production, and contribute to productivity and food security. The remaining graduates who will complete their qualifications in 2017/18 will be deployed in the second half of the year.

The department trained 40 agro-processing entrepreneurs on processing norms and standards in the first half of 2017/18. The achievement is a result of greater collaboration with provincial departments of agriculture and preferential training rates charged by the South African Bureau of Standards.

Although the department is behind in its targets for the number of hectares to be restored through reforestation and rehabilitation, cultivated in underutilised areas, and planted in temporary unplanted areas, it expects to meet its targets as most of this work is done during the rainy season.

Similarly, the number of jobs created through the refurbishment of category B and C plantations in the expanded public works programme is below target because planting begins in the third quarter after the first major rainfall. The department expects to meet these annual targets.

80 full-time-equivalent jobs have been created in the Eastern Cape Hamburg aquaculture project in the first half of 2017/18 through the successful farming of kob fish and oysters. This, however, is below the target of 558 job opportunities created for the year through the Working for Fisheries programme. The slow progress is a result of projects being reviewed to improve implementation and compliance with expanded public works programme policy framework, and delays in renewing contracts for project implementers.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	902 473	–	–	4 361	–	–	4 361	906 834
Agricultural Production, Health and Food Safety	2 197 187	–	40 000	(316)	–	–	39 684	2 236 871
Food Security and Agrarian Reform	1 946 764	–	–	(2 707)	–	–	(2 707)	1 944 057
Trade Promotion and Market Access	261 706	–	–	–	–	–	–	261 706
Forestry and Natural Resources Management	1 016 720	–	–	(1 038)	–	–	(1 038)	1 015 682
Fisheries	482 184	–	–	(300)	–	–	(300)	481 884
Total	6 807 034	–	40 000	–	–	–	40 000	6 847 034
Economic classification								
Current payments	2 921 471	–	–	(15 224)	–	–	(15 224)	2 906 247
Compensation of employees	2 105 751	–	–	(5 515)	–	–	(5 515)	2 100 236
Goods and services	814 375	–	–	(10 278)	–	–	(10 278)	804 097
Interest and rent on land	1 345	–	–	569	–	–	569	1 914
Transfers and subsidies	3 774 590	–	40 000	6 671	–	–	46 671	3 821 261
Provinces and municipalities	2 242 793	–	–	145	–	–	145	2 242 938
Departmental agencies and accounts	1 300 276	–	–	(300)	–	–	(300)	1 299 976
Foreign governments and international organisations	36 276	–	–	361	–	–	361	36 637
Public corporations and private enterprises	150 829	–	–	–	–	–	–	150 829
Non-profit institutions	19 775	–	–	350	–	–	350	20 125
Households	24 641	–	40 000	6 115	–	–	46 115	70 756
Payments for capital assets	110 973	–	–	8 553	–	–	8 553	119 526
Buildings and other fixed structures	63 760	–	–	5 449	–	–	5 449	69 209
Machinery and equipment	47 042	–	–	2 723	–	–	2 723	49 765
Biological assets	121	–	–	39	–	–	39	160
Software and other intangible assets	50	–	–	342	–	–	342	392
Total	6 807 034	–	40 000	–	–	–	40 000	6 847 034

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Ministry	42 488	–	–	211	–	–	211	42 699
Department Management	28 942	–	–	–	–	–	–	28 942
Financial Administration	195 623	–	–	(777)	–	–	(777)	194 846
Internal Audit	9 632	–	–	500	–	–	500	10 132
Corporate Services	179 827	–	–	66	–	–	66	179 893
Stakeholder Relations, Communication and Legal Services	77 858	–	–	2 700	–	–	2 700	80 558
Policy, Planning, Monitoring and Evaluation	173 802	–	–	–	–	–	–	173 802
Office Accommodation	194 301	–	–	1 661	–	–	1 661	195 962
Total	902 473	–	–	4 361	–	–	4 361	906 834
Economic classification								
Current payments	848 945	–	–	2 134	–	–	2 134	851 079
Compensation of employees	452 102	–	–	(418)	–	–	(418)	451 684
Goods and services	396 843	–	–	2 341	–	–	2 341	399 184
Interest and rent on land	–	–	–	211	–	–	211	211
Transfers and subsidies	19 050	–	–	430	–	–	430	19 480
Provinces and municipalities	40	–	–	12	–	–	12	52
Departmental agencies and accounts	19 010	–	–	–	–	–	–	19 010
Households	–	–	–	418	–	–	418	418
Payments for capital assets	34 478	–	–	1 797	–	–	1 797	36 275
Buildings and other fixed structures	30 767	–	–	–	–	–	–	30 767
Machinery and equipment	3 661	–	–	1 455	–	–	1 455	5 116
Software and other intangible assets	50	–	–	342	–	–	342	392
Total	902 473	–	–	4 361	–	–	4 361	906 834

Programme 2: Agricultural Production, Health and Food Safety

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Management	2 912	–	–	–	–	–	–	2 912
Inspection and Laboratory Services	372 700	–	–	(316)	–	–	(316)	372 384
Plant Production and Health	610 779	–	–	–	–	–	–	610 779
Animal Production and Health	236 213	–	40 000	–	–	–	40 000	276 213
Agriculture Research	974 583	–	–	–	–	–	–	974 583
Total	2 197 187	–	40 000	(316)	–	–	39 684	2 236 871
Economic classification								
Current payments	683 521	–	–	(1 120)	–	–	(1 120)	682 401
Compensation of employees	606 957	–	–	(290)	–	–	(290)	606 667
Goods and services	76 564	–	–	(830)	–	–	(830)	75 734
Transfers and subsidies	1 511 409	–	40 000	344	–	–	40 344	1 551 753
Provinces and municipalities	522 146	–	–	54	–	–	54	522 200
Departmental agencies and accounts	974 783	–	–	–	–	–	–	974 783
Non-profit institutions	14 410	–	–	–	–	–	–	14 410
Households	70	–	40 000	290	–	–	40 290	40 360
Payments for capital assets	2 257	–	–	460	–	–	460	2 717
Machinery and equipment	2 257	–	–	460	–	–	460	2 717
Total	2 197 187	–	40 000	(316)	–	–	39 684	2 236 871

Programme 3: Food Security and Agrarian Reform

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Management	3 304	–	–	393	–	–	393	3 697
Food Security	1 348 195	–	–	(6 157)	–	–	(6 157)	1 342 038
Sector Capacity Development	227 841	–	–	3 057	–	–	3 057	230 898
National Extension Support Services	367 424	–	–	–	–	–	–	367 424
Total	1 946 764	–	–	(2 707)	–	–	(2 707)	1 944 057

Programme 3: Food Security and Agrarian Reform (continued)

Economic classification		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	272 150	–	–	(5 421)	–	–	(5 421)	266 729
Compensation of employees	162 717	–	–	(791)	–	–	(791)	161 926
Goods and services	109 433	–	–	(4 631)	–	–	(4 631)	104 802
Interest and rent on land	–	–	–	1	–	–	1	1
Transfers and subsidies	1 638 088	–	–	1 459	–	–	1 459	1 639 547
Provinces and municipalities	1 507 136	–	–	68	–	–	68	1 507 204
Departmental agencies and accounts	600	–	–	–	–	–	–	600
Public corporations and private enterprises	106 247	–	–	–	–	–	–	106 247
Households	24 105	–	–	1 391	–	–	1 391	25 496
Payments for capital assets	36 526	–	–	1 255	–	–	1 255	37 781
Buildings and other fixed structures	32 993	–	–	2 050	–	–	2 050	35 043
Machinery and equipment	3 533	–	–	(834)	–	–	(834)	2 699
Biological assets	–	–	–	39	–	–	39	39
Total	1 946 764	–	–	(2 707)	–	–	(2 707)	1 944 057

Programme 4: Trade Promotion and Market Access

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management	5 066	–	–	–	–	–	–	5 066
International Relations and Trade	121 834	–	–	106	–	–	106	121 940
Cooperatives and Rural Enterprise Development	70 895	–	–	(106)	–	–	(106)	70 789
Agro-processing and Marketing	63 911	–	–	–	–	–	–	63 911
Total	261 706	–	–	–	–	–	–	261 706
Economic classification								
Current payments	138 642	–	–	(992)	–	–	(992)	137 650
Compensation of employees	106 037	–	–	(258)	–	–	(258)	105 779
Goods and services	32 605	–	–	(734)	–	–	(734)	31 871
Transfers and subsidies	122 786	–	–	919	–	–	919	123 705
Provinces and municipalities	11	–	–	–	–	–	–	11
Departmental agencies and accounts	41 917	–	–	–	–	–	–	41 917
Foreign governments and international organisations	36 276	–	–	361	–	–	361	36 637
Public corporations and private enterprises	44 582	–	–	–	–	–	–	44 582
Non-profit institutions	–	–	–	300	–	–	300	300
Households	–	–	–	258	–	–	258	258
Payments for capital assets	278	–	–	73	–	–	73	351
Machinery and equipment	278	–	–	73	–	–	73	351
Total	261 706	–	–	–	–	–	–	261 706

Programme 5: Forestry and Natural Resources Management

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management	3 642	–	–	1 600	–	–	1 600	5 242
Forestry Operations	479 497	–	–	(307)	–	–	(307)	479 190
Forestry Oversight and Regulation	61 688	–	–	(1 500)	–	–	(1 500)	60 188
Natural Resources Management	471 893	–	–	(831)	–	–	(831)	471 062
Total	1 016 720	–	–	(1 038)	–	–	(1 038)	1 015 682
Economic classification								
Current payments	757 995	–	–	(9 409)	–	–	(9 409)	748 586
Compensation of employees	557 720	–	–	(3 342)	–	–	(3 342)	554 378
Goods and services	198 930	–	–	(6 424)	–	–	(6 424)	192 506
Interest and rent on land	1 345	–	–	357	–	–	357	1 702
Transfers and subsidies	221 291	–	–	3 403	–	–	3 403	224 694
Provinces and municipalities	213 460	–	–	11	–	–	11	213 471
Departmental agencies and accounts	2 000	–	–	–	–	–	–	2 000
Non-profit institutions	5 365	–	–	50	–	–	50	5 415
Households	466	–	–	3 342	–	–	3 342	3 808
Payments for capital assets	37 434	–	–	4 968	–	–	4 968	42 402
Buildings and other fixed structures	–	–	–	3 399	–	–	3 399	3 399
Machinery and equipment	37 313	–	–	1 569	–	–	1 569	38 882
Biological assets	121	–	–	–	–	–	–	121
Total	1 016 720	–	–	(1 038)	–	–	(1 038)	1 015 682

Programme 6: Fisheries

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management	3 124	–	–	–	–	–	–	3 124
Aquaculture	38 454	–	–	–	–	–	–	38 454
Monitoring Control and Surveillance	86 198	–	–	–	–	–	–	86 198
Marine Resources Management	22 677	–	–	–	–	–	–	22 677
Fisheries Research and Development	69 765	–	–	–	–	–	–	69 765
Marine Living Resources Fund	261 966	–	–	(300)	–	–	(300)	261 666
Total	482 184	–	–	(300)	–	–	(300)	481 884
Economic classification								
Current payments	220 218	–	–	(416)	–	–	(416)	219 802
Compensation of employees	220 218	–	–	(416)	–	–	(416)	219 802
Transfers and subsidies	261 966	–	–	116	–	–	116	262 082
Departmental agencies and accounts	261 966	–	–	(300)	–	–	(300)	261 666
Households	–	–	–	416	–	–	416	416
Total	482 184	–	–	(300)	–	–	(300)	481 884

Details of adjustments to Estimates of National Expenditure 2017**Unforeseeable and unavoidable expenditure – R40 million**

Programme 2: Agricultural Production, Health and Food Safety

An additional R40 million has been allocated to the vote for combatting the outbreak of highly pathogenic avian influenza.

Virements and shifts within votes

Programmes					
1. Administration					
2. Agricultural Production, Health and Food Safety					
3. Food Security and Agrarian Reform					
4. Trade Promotion and Market Access					
5. Forestry and Natural Resources Management					
6. Fisheries					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(2 814)	Programme 1		2 058
Goods and services	Advertising, communications, property payments, and travel and subsistence	(1 493)	Machinery and equipment	Operating leases	1 493
	Cost containment measures effected on travel and subsistence	(211)	Interest and rent on land	Interest charges	211
	Cost containment measures effected on advertising, communications, and travel and subsistence	(12)	Provinces and municipalities	Vehicle licences	12
	Cost containment measures effected on travel and subsistence	(342)	Software and other intangible assets	Software	342
	Cost containment measures effected on venues and facilities	(300)	Programme 3		300
			Households	Annual Youth in Agriculture, Forestry and Fisheries Awards ¹	300
			Programme 1		456
Machinery and equipment	Office furniture ¹	(38)	Goods and services	Training and development, and travel and subsistence	38
Compensation of employees	Vacant posts ¹	(418)	Households	Leave gratuities	418
Shifts within the programme as a percentage of the programme budget		0.3%			
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 2		(1 120)	Programme 1		306
Goods and services	Operating leases	(306)	Goods and services	Renewal of lease agreements for buildings	306
	Communications, medicine, and travel and subsistence	(460)	Programme 2		514
	Communications, medicine, and travel and subsistence	(54)	Machinery and equipment	Office equipment and leases for photocopying machines	460
	Communications	(10)	Provinces and municipalities	Vehicle licenses	54
Compensation of employees	Vacant posts ¹	(290)	Programme 5		10
			Goods and services	Communications	10
			Programme 2		290
			Households	Leave gratuities	290
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 3		(7 472)	Programme 1		3 307
Goods and services	Cost containment measures effected on advertising, bursaries, consumables, stationery, and travel and subsistence	(3 307)	Goods and services	Imbizos and the renewal of lease agreements for buildings	3 307
	Cost containment measures effected on printing, stationery, and travel and subsistence	(1 216)	Programme 3		4 165
	Printing and stationery	(1)	Machinery and equipment	Agricultural lifting and training equipment, electricity distribution, laptops, printers, and operating leases	1 216
	Printing, stationery, and travel and subsistence	(68)	Interest and rent on land	Interest charges on overdue accounts	1
	Printing and stationery	(39)	Provinces and municipalities	Vehicle licences	68
Machinery and equipment	Computers and vehicles	(2 050)	Biological assets	Pigs for student training at the Tompi Seleka College of Agriculture	39
Compensation of employees	Vacant posts ¹	(791)	Buildings and other fixed structures	Maintenance of border fences for control of foot and mouth disease	2 050
			Households	Leave gratuities	791
Shifts within the programme as a percentage of the programme budget		0.4%			
Virements to other programmes as a percentage of the programme budget		0.2%			
Programme 4		(992)	Programme 4		992
Goods and services	Agency and support/ outsourced services, printing and stationery	(73)	Machinery and equipment	Leases for photocopying machines	73
	Agency and support/ outsourced services, printing and stationery	(300)	Non-profit institutions	Wine and Spirit Board ¹	300
	Agency and support/ outsourced agricultural services	(361)	Foreign governments and international organisations	Membership fees to the World Organisation for Animal Health ¹	361
Compensation of employees	Vacant posts ¹	(258)	Households	Leave gratuities	258
Shifts within the programme as a percentage of the programme budget		0.5%			
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 5		(9 836)	Programme 1		1 048
Goods and services	Operating leases	(1 048)	Goods and services	Renewal of lease agreements for buildings	1 048
			Programme 5		8 788
	Agency and support/ outsourced services	(1 569)	Machinery and equipment	Computers, laptops, leases for photocopying machines, office equipment, office furniture and vehicles	1 569
	Advertising	(387)	Interest and rent on land	Interest charges	387
	Agency and support/outsourced services	(11)	Provinces and municipalities	Vehicle licences	11
	Agency and support/outsourced services	(3 399)	Buildings and other fixed structures	Boreholes and water reservoirs	3 399
	Consultants	(50)	Non-profit institutions	7 th Forest Science Symposium ¹	50
Compensation of employees	Vacant posts ¹	(3 342)	Households	Leave gratuities	3 342
Interest and rent on land	Interest charges	(30)	Goods and services	Interest charges	30
Shifts within the programme as a percentage of the programme budget		1.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Programme 6		(716)	Programme 6		416
Compensation of employees	Vacant posts ¹	(416)	Households	Leave gratuities	416
			Programme 3		300
Departmental agencies and accounts	Marine Living Resources Fund ¹	(300)	Households	Bursaries for non-employees ¹	300
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Total		(22 950)			22 950

1. National Treasury approval has been obtained.

Gifts, donations and sponsorships – R300 000

Programme 3: Food Security and Agrarian Reform

The department will make a donation of R300 000 to the top youth producers in the agriculture, forestry and fisheries sectors.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	% of adjusted appropriation	Apr 16 - Mar 17	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	% of adjusted appropriation
R thousand									
Administration	781 358	474 226	60.7	828 485	106.0	906 834	13.2	453 278	50.0
Agricultural Production, Health and Food Safety	1 944 610	1 076 151	55.3	1 927 031	99.1	2 236 871	32.7	1 152 333	51.5
Food Security and Agrarian Reform	1 888 697	867 629	45.9	1 879 016	99.5	1 944 057	28.4	762 723	39.2
Trade Promotion and Market Access	303 996	238 386	78.4	310 464	102.1	261 706	3.8	149 466	57.1
Forestry and Natural Resources Management	1 137 706	477 798	42.0	1 077 741	94.7	1 015 682	14.8	574 902	56.6
Fisheries	458 598	236 218	51.5	468 090	102.1	481 884	7.0	340 241	70.6
Total	6 514 965	3 370 408	51.7	6 490 827	99.6	6 847 034	100.0	3 432 943	50.1

Economic classification	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	% of adjusted appropriation	Apr 16 - Mar 17	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	% of adjusted appropriation
Current payments	2 837 633	1 398 875	49.3	2 817 435	99.3	2 906 247	42.4	1 430 673	49.2
Compensation of employees	1 992 599	974 044	48.9	1 938 317	97.3	2 100 236	30.7	1 025 766	48.8
Goods and services	843 966	424 517	50.3	878 803	104.1	804 097	11.7	403 958	50.2
Interest and rent on land	1 068	314	29.4	315	29.5	1 914	0.0	949	49.6
Transfers and subsidies	3 510 179	1 911 520	54.5	3 518 631	100.2	3 821 261	55.8	1 953 932	51.1
Provinces and municipalities	2 203 685	1 013 238	46.0	2 203 728	100.0	2 242 938	32.8	944 907	42.1
Departmental agencies and accounts	1 129 082	743 657	65.9	1 129 077	100.0	1 299 976	19.0	941 211	72.4
Higher education institutions	8 529	8 529	100.0	8 529	100.0	–	0.0	–	–
Foreign governments and international organisations	42 445	35 073	82.6	42 306	99.7	36 637	0.5	26 978	73.6
Public corporations and private enterprises	98 334	91 372	92.9	98 506	100.2	150 829	2.2	3 134	2.1
Non-profit institutions	18 484	8 658	46.8	18 482	100.0	20 125	0.3	8 617	42.8
Households	9 620	10 993	114.3	18 003	187.1	70 756	1.0	29 085	41.1
Payments for capital assets	167 153	59 771	35.8	153 834	92.0	119 526	1.7	48 199	40.3
Buildings and other fixed structures	78 311	5 061	6.5	51 663	66.0	69 209	1.0	15 313	22.1
Machinery and equipment	88 483	52 559	59.4	99 766	112.8	49 765	0.7	31 388	63.1
Biological assets	100	–	0.0	184	184.0	160	0.0	39	24.4
Software and other intangible assets	259	2 151	830.5	2 221	857.5	392	0.0	1 459	372.2
Payments for financial assets	–	242	–	927	–	–	0.0	139	0.0
Total	6 514 965	3 370 408	51.7	6 490 827	99.6	6 847 034	100.0	3 432 943	50.1

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R6.5 billion, or 99.6 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R3.4 billion, or 50.1 per cent of the adjusted appropriation of R6.8 billion for the year. In comparison, mid-year expenditure in 2016/17 was R3.4 billion, or 51.7 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R62.5 million, or 1.9 per cent. This is mainly due to an increase in transfer payments made to the Agricultural Research Council and Marine Living Resources Fund, and cost of living adjustments.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 16 - Sep 16	% of adjusted estimate	Apr 16 - Mar 17	% of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	% of adjusted estimate
Departmental receipts	227 198	108 582	47.8	202 706	89.2	241 533	246 223	100.0	129 956	52.8
Sales of goods and services produced by department	212 403	102 702	48.4	190 625	89.7	225 793	225 793	91.7	121 168	53.7
Sales of scrap, waste, arms and other used current goods	659	503	76.3	124	18.8	713	713	0.3	2	0.3
Transfers received	420	151	36.0	274	65.2	446	446	0.2	30	6.7
Fines, penalties and forfeits	46	31	67.4	45	97.8	49	49	0.0	6	12.2
Interest, dividends and rent on land	4 634	2 059	44.4	4 738	102.2	4 926	4 926	2.0	1 996	40.5
Sales of capital assets	1 348	448	33.2	868	64.4	1 433	1 433	0.6	–	0.0
Transactions in financial assets and liabilities	7 688	2 688	35.0	6 032	78.5	8 173	12 863	5.2	6 754	52.5
Total	227 198	108 582	47.8	202 706	89.2	241 533	246 223	100.0	129 956	52.8

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R130 million, or 52.8 per cent of the adjusted revenue estimate of R246.2 million for the year. In comparison, mid-year revenue in 2016/17 was R108.6 million, or 47.8 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R21.4 million, or 19.7 per cent. This is mainly due to tariff adjustments on the sale of goods and services produced by the department, and the implementation of a new tariff on performing animals.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	40	–	–	12	–	–	12	52
Vehicle licences	40	–	–	12	–	–	12	52
Households								
Social benefits								
Current	–	–	–	418	–	–	418	418
Employee social benefits	–	–	–	418	–	–	418	418
Agricultural Production, Health and Food Safety								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	7	–	–	54	–	–	54	61
Vehicle licences	7	–	–	54	–	–	54	61
Households								
Social benefits								
Current	70	–	–	290	–	–	290	360
Employee social benefits	70	–	–	290	–	–	290	360
Households								
Other transfers to households								
Current	–	–	40 000	–	–	–	40 000	40 000
Farmer support: Avian influenza	–	–	40 000	–	–	–	40 000	40 000
Food Security and Agrarian Reform								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	261	–	–	68	–	–	68	329
Vehicle licences	261	–	–	68	–	–	68	329
Households								
Social benefits								
Current	150	–	–	791	–	–	791	941
Employee social benefits	150	–	–	791	–	–	791	941
Households								
Other transfers to households								
Current	19 655	–	–	600	–	–	600	20 255
National Student Financial Aid Scheme	19 655	–	–	300	–	–	300	19 955
Gifts and donations: Youth in Agriculture, Forestry and Fisheries Awards	–	–	–	300	–	–	300	300

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

		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Trade Promotion and Market Access								
Foreign governments and international organisations								
Current	26 955	–	–	361	–	–	361	27 316
Commonwealth Agricultural Bureau	300	–	–	(31)	–	–	(31)	269
International Food and Agriculture Organisation of the United Nations	24 640	–	–	(277)	–	–	(277)	24 363
International Grains Council	230	–	–	(37)	–	–	(37)	193
International Seed Testing Association	175	–	–	(16)	–	–	(16)	159
World Organisation for Animal Health	1 425	–	–	548	–	–	548	1 973
Organisation for Economic Cooperation and Development	185	–	–	174	–	–	174	359
Non-profit institutions								
Current	–	–	–	300	–	–	300	300
Wine and Spirit Board	–	–	–	300	–	–	300	300
Households								
Social benefits								
Current	–	–	–	258	–	–	258	258
Employee social benefits	–	–	–	258	–	–	258	258
Forestry and Natural Resources Management								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	185	–	–	11	–	–	11	196
Vehicle licences	185	–	–	11	–	–	11	196
Non-profit institutions								
Current	–	–	–	50	–	–	50	50
Institute for Commercial Forestry Research	–	–	–	50	–	–	50	50
Households								
Social benefits								
Current	466	–	–	3 342	–	–	3 342	3 808
Employee social benefits	466	–	–	3 342	–	–	3 342	3 808
Fisheries								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	261 966	–	–	(300)	–	–	(300)	261 666
Marine Living Resources Fund	261 966	–	–	(300)	–	–	(300)	261 666
Households								
Social benefits								
Current	–	–	–	416	–	–	416	416
Employee social benefits	–	–	–	416	–	–	416	416

Vote 25

Economic Development

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	797 237	914 237	(529)	117 529
of which:				
Current payments	139 790	139 261	(529)	–
Transfers and subsidies	656 240	773 269	–	117 029
Payments for capital assets	1 207	1 707	–	500
Executive authority	Minister of Economic Development			
Accounting officer	Director-General of Economic Development			
Website address	www.economic.gov.za			

Vote purpose

Promote economic development policy formulation and planning for the benefit of all South Africans.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of analytical and public policy advocacy reports on socioeconomic development and the new growth path produced per year	Growth Path and Social Dialogue	Outcome 4: Decent employment through inclusive growth	4	2	–
Number of spatial, local and provincial initiatives to promote employment, empowerment and development per year	Growth Path and Social Dialogue		10	1	–
Number of quarterly Cabinet-level progress reports on strategic integrated projects per year	Investment, Competition and Trade		64 ¹	36	–
Number of infrastructure projects evaluated, unblocked, fast-tracked or facilitated per year	Investment, Competition and Trade		8	1	–
Number of Cabinet and presidential infrastructure coordinating committee strategic decisions on infrastructure implemented per year	Investment, Competition and Trade		4	4	–
Number of ministerial and departmental oversight engagements with the Industrial Development Corporation held per year	Investment, Competition and Trade		4	2	–
Number of agricultural, manufacturing and trade initiatives unblocked per year	Investment, Competition and Trade		12	– ²	–
Number of case studies and monitoring reports produced on the funding allocations on township enterprises by development finance institutions and government departments per year	Investment, Competition and Trade		4	– ²	–
Number of ministerial/parliamentary monitoring reports on development finance institutions funding impact produced per year	Investment, Competition and Trade		4	2	–
Number of ministerial and departmental oversight engagements with trade and competition authorities held per year	Investment, Competition and Trade		4	2	–

1. Target changed to align with target published in the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

2. Indicator removed from the department's 2017/18 annual performance plan.

Mid-year progress

The department has already achieved its annual target of implementing 4 Cabinet and Presidential Infrastructure Coordination Commission strategic decisions on infrastructure in the first half of 2017/18.

The department's mid-year achievements for targets on spatial, local and provincial initiatives to promote employment, empowerment and development, and infrastructure projects evaluated, unblocked, fast-tracked or facilitated, reflect a low performance. These, however, are annual targets that are set to be achieved in the fourth quarter. The department is on track to achieve all its targets by end of the financial year.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	80 674	–	–	5 787	–	–	5 787	86 461
Growth Path and Social Dialogue	35 609	–	–	(2 787)	–	–	(2 787)	32 822
Investment, Competition and Trade	680 954	–	–	(3 000)	–	117 000	114 000	794 954
Total	797 237	–	–	–	–	117 000	117 000	914 237
Economic classification								
Current payments	139 790	–	–	(529)	–	–	(529)	139 261
Compensation of employees	90 072	–	–	(29)	–	–	(29)	90 043
Goods and services	49 718	–	–	(500)	–	–	(500)	49 218
Transfers and subsidies	656 240	–	–	29	–	117 000	117 029	773 269
Departmental agencies and accounts	387 460	–	–	–	–	–	–	387 460
Public corporations and private enterprises	268 780	–	–	–	–	117 000	117 000	385 780
Households	–	–	–	29	–	–	29	29
Payments for capital assets	1 207	–	–	500	–	–	500	1 707
Machinery and equipment	767	–	–	677	–	–	677	1 444
Software and other intangible assets	440	–	–	(177)	–	–	(177)	263
Total	797 237	–	–	–	–	117 000	117 000	914 237

Programme 1: Administration

Programme 11 Administration		2017/18						
Subprogramme		Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Ministry	27 474	–	–	–	–	–	–	27 474
Office of the Director-General	10 108	–	–	(455)	–	–	(455)	9 653
Corporate Management Services	31 701	–	–	6 199	–	–	6 199	37 900
Financial Management	11 391	–	–	43	–	–	43	11 434
Total	80 674	–	–	5 787	–	–	5 787	86 461
Economic classification								
Current payments	80 199	–	–	4 971	–	–	4 971	85 170
Compensation of employees	44 918	–	–	(29)	–	–	(29)	44 889
Goods and services	35 281	–	–	5 000	–	–	5 000	40 281
Transfers and subsidies	–	–	–	29	–	–	29	29
Households	–	–	–	29	–	–	29	29
Payments for capital assets	475	–	–	787	–	–	787	1 262
Machinery and equipment	429	–	–	677	–	–	677	1 106
Software and other intangible assets	46	–	–	110	–	–	110	156
Total	80 674	–	–	5 787	–	–	5 787	86 461

Programme 2: Growth Path and Social Dialogue

Programme 2: Growth Path and Social Dialogue								
Subprogramme	2017/18							
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Growth Path and Job Drivers	25 742	–	–	(1 287)	–	–	(1 287)	24 455
Social Dialogue, Productivity and Innovation	9 867	–	–	(1 500)	–	–	(1 500)	8 367
Total	35 609	–	–	(2 787)	–	–	(2 787)	32 822
Economic classification								
Current payments	35 058	–	–	(2 500)	–	–	(2 500)	32 558
Compensation of employees	29 533	–	–	–	–	–	–	29 533
Goods and services	5 525	–	–	(2 500)	–	–	(2 500)	3 025
Payments for capital assets	551	–	–	(287)	–	–	(287)	264
Machinery and equipment	157	–	–	–	–	–	–	157
Software and other intangible assets	394	–	–	(287)	–	–	(287)	107
Total	35 609	–	–	(2 787)	–	–	(2 787)	32 822

Programme 3: Investment, Competition and Trade**Subprogramme**

	Main appropriation	2017/18 Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Development Investment, Industrial Funding and Entrepreneurship	258 112	–	–	810	–	–	810	258 922
Competition, Trade and other Economic Regulation	391 575	–	–	–	–	–	–	391 575
Infrastructure Development Coordination	31 267	–	–	(3 810)	–	117 000	113 190	144 457
Total	680 954	–	–	(3 000)	–	117 000	114 000	794 954
Economic classification								
Current payments	24 533	–	–	(3 000)	–	–	(3 000)	21 533
Compensation of employees	15 621	–	–	–	–	–	–	15 621
Goods and services	8 912	–	–	(3 000)	–	–	(3 000)	5 912
Transfers and subsidies	656 240	–	–	–	–	117 000	117 000	773 240
Departmental agencies and accounts	387 460	–	–	–	–	–	–	387 460
Public corporations and private enterprises	268 780	–	–	–	–	117 000	117 000	385 780
Payments for capital assets	181	–	–	–	–	–	–	181
Machinery and equipment	181	–	–	–	–	–	–	181
Total	680 954	–	–	(3 000)	–	117 000	114 000	794 954

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes****Programmes**

- Administration
- Growth Path and Social Dialogue
- Investment, Competition and Trade

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(119)	Programme 1		119
Compensation of employees	Vacant posts ¹	(29)	Households	Leave gratuities	29
Machinery and equipment	Office furniture	(90)	Software and other intangible assets	Renewal of software licences	90
Shifts within the programme as a percentage of the programme budget		1.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(2 787)	Programme 1		2 787
Software and other intangible assets	Software	(20)	Software and other intangible assets	Software	20
	Software	(267)	Machinery and equipment	ICT equipment	267
	Cost-containment measures effected on catering, and travel and subsistence	(500)	Machinery and equipment	ICT equipment	500
	Cost-containment measures effected on catering, and travel and subsistence	(2 000)	Goods and services	Legal fees	2 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		7.8%			
Programme 3		(3 000)	Programme 1		3 000
Goods and services	Cost-containment measures effected on travel and subsistence, and venues and facilities	(3 000)	Goods and services	Legal fees	3 000
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.4%			
Total		(5 906)			5 906

1. National Treasury approval has been obtained.

Other adjustments – R117 million

Appropriation of expenditure earmarked in the 2017 Budget speech for future allocation

Programme 3: Investment, Competition and Trade

An additional R117 million has been allocated for the establishment of the Tirisano Construction Fund, to develop, enhance and transform the construction industry, and promote social infrastructure for all South Africans.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	89 237	51 710	57.9	90 416	101.3	86 461	9.5	42 547	49.2
Growth Path and Social Dialogue	33 075	13 460	40.7	27 797	84.0	32 822	3.6	14 922	45.5
Investment, Competition and Trade	552 349	276 090	50.0	546 869	99.0	794 954	87.0	365 825	46.0
Total	674 661	341 260	50.6	665 083	98.6	914 237	100.0	423 294	46.3
Economic classification									
Current payments	142 484	71 934	50.5	133 416	93.6	139 261	15.2	67 033	48.1
Compensation of employees	93 995	41 342	44.0	84 990	90.4	90 043	9.8	43 321	48.1
Goods and services	48 367	30 592	63.2	48 426	100.1	49 218	5.4	23 711	48.2
Interest and rent on land	122	–	–	–	–	–	–	–	–
Transfers and subsidies	528 781	267 808	50.6	528 846	100.0	773 269	84.6	355 694	46.0
Provinces and municipalities	315 657	161 181	51.1	315 657	100.0	–	–	198 735	–
Departmental agencies and accounts	213 124	106 562	50.0	213 124	100.0	387 460	42.4	156 890	40.5
Public corporations and private enterprises	–	–	–	–	–	–	42.2	–	–
Households	–	65	–	65	–	–	–	–	237.9
Payments for capital assets	3 396	1 518	44.7	2 821	83.1	1 707	0.2	567	33.2
Machinery and equipment	2 432	1 412	58.1	1 858	76.4	1 444	0.2	423	29.3
Software and other intangible assets	964	106	11.0	963	99.9	263	–	–	54.8
Total	674 661	341 260	50.6	665 083	98.6	914 237	100.0	423 294	46.3

Expenditure trends for the first six months of 2017/18

Total expenditure for 2016/17 was R665.1 million, or 98.6 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R423.3 million, or 46.3 per cent of the adjusted appropriation of R914.2 million for the year. In comparison, mid-year expenditure in 2016/17 was R341.3 million, or 50.6 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 increased by R82 million, or 24 per cent compared to expenditure in the first six months of 2016/17. This is mainly because of transfer payments to the Presidential Infrastructure Coordination Commission and the Steel Development Fund, which were initiated in 2017/18.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	908 376	202 714	22.3	137 336	15.1	921 338	321 338	100.0	117 647	36.6
Sales of goods and services produced by department	20	14	70.0	30	150.0	21	21	0.0	15	71.4
Fines, penalties and forfeits	858 159	202 486	23.6	117 000	13.6	901 067	301 067	93.7	117 553	39.0
Interest, dividends and rent on land	50 150	167	0.3	20 259	40.4	20 200	20 200	6.3	73	0.4
Transactions in financial assets and liabilities	47	47	100.0	47	100.0	50	50	0.0	6	12.0
Total	908 376	202 714	22.3	137 336	15.1	921 338	321 338	100.0	117 647	36.6

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R117.6 million, or 36.6 per cent of the adjusted revenue estimate of R321.3 million for the year. In comparison, mid-year revenue in 2016/17 was R202.7 million, or 22.3 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R85.1 million, or 42 per cent. This is mainly due to a decrease in penalties and fines received from the Competition Commission as fewer cases than expected were received and finalised.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Administration							
Households							
Social benefits							
Current	–	–	–	29	–	–	29
Households	–	–	–	29	–	–	29
Investment, Competition and Trade							
Public corporations and private enterprises							
Other transfers to public corporations							
Current	45 000	–	–	–	–	117 000	117 000
Industrial Development Corporation	45 000	–	–	–	–	117 000	117 000

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Energy

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	8 113 450	8 145 422	–	31 972
of which:				
Current payments	557 923	572 647	–	14 724
Transfers and subsidies	7 551 241	7 568 489	–	17 248
Payments for capital assets	4 286	4 286	–	–
Executive authority	Minister of Energy			
Accounting officer	Director-General of Energy			
Website address	www.energy.gov.za			

Vote purpose

Formulate energy policies, regulatory frameworks and legislation, and oversee their implementation, to ensure energy security, the promotion of environmentally friendly energy carriers, and access to affordable and reliable energy for all South Africans.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of new petroleum retail site inspections per year	Petroleum and Petroleum Products	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1 500	848	–
Number of additional households electrified per year	Electrification and Energy Programme and Project Management		235 000	92 307	–
Number of new bulk substations built per year	Electrification and Energy Programme and Project Management		3	0	–
Number of additional substations upgraded per year	Electrification and Energy Programme and Project Management		4	1	–
Kilometres of new medium-voltage power lines constructed per year	Electrification and Energy Programme and Project Management		95 km	5.4 km	–
Kilometres of existing medium-voltage power lines upgraded per year	Electrification and Energy Programme and Project Management		95 km	0	–
Number of non-grid connections per year	Electrification and Energy Programme and Project Management	Outcome 9: Responsive, accountable, effective and efficient developmental local government	20 000	3 900	–
Number of new operational integrated energy centres established per year	Electrification and Energy Programme and Project Management	Departmental mandate	1	0	–
Number of terawatt hours (TWh) of energy savings realised and verified from energy efficiency and demand side management projects per year	Clean Energy	Outcome 10: Protect and enhance our environmental assets and natural resources	0.5 TWh	0	–
Number of solar water heating units installed in residential and commercial sectors per year	Clean Energy		42 000	0	–

Mid-year progress

Due to delays in finalising the procurement process to appoint service providers, 92 307 households out of a targeted 235 000 have been connected to the grid, and 3 900 households out of a targeted 20 000 have been provided with non-grid connections thus far in 2017/18. The number of connections provided is expected to increase significantly in the second half of the financial year when the procurement process is concluded.

Although no substations have been built in the first six months of 2017/18, they are currently under construction. 1 substation has been upgraded and 5.4km of medium voltage lines constructed. As a result of the municipal financial year starting in July, progress on these indicators may not necessarily be behind. The department will verify municipal reports in the third quarter.

The Bushbuckridge integrated energy centre has been built and will begin operating once water supply has been established.

Energy savings of 0.04 TWh were realised and verified from energy efficiency and demand side management projects implemented by various municipalities for the municipal financial year ending June 2017. The department has not yet verified projects being implemented in the first six months of 2017/18.

Although no solar water heating units have been installed out of a targeted 42 000 for the year, 87 200 solar water heater systems have been procured. The slow progress in installing the units is due to delays in entering into agreements with municipalities and designating areas for installation.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	239 541	–	–	24 020	–	–	24 020	263 561
Energy Policy and Planning	46 668	–	–	–	–	–	–	46 668
Petroleum and Petroleum Products Regulation	81 828	–	–	–	–	–	–	81 828
Electrification and Energy Programme and Project Management	6 184 028	31 972	–	3 980	–	–	35 952	6 219 980
Nuclear Energy	786 875	–	–	4 000	–	–	4 000	790 875
Clean Energy	774 510	–	–	(32 000)	–	–	(32 000)	742 510
Total	8 113 450	31 972	–	–	–	–	31 972	8 145 422
Economic classification								
Current payments	557 923	–	–	14 724	–	–	14 724	572 647
Compensation of employees	318 247	–	–	15 000	–	–	15 000	333 247
Goods and services	239 676	–	–	(276)	–	–	(276)	239 400
Transfers and subsidies	7 551 241	31 972	–	(14 724)	–	–	17 248	7 568 489
Provinces and municipalities	2 290 284	–	–	–	–	–	–	2 290 284
Departmental agencies and accounts	129 394	–	–	–	–	–	–	129 394
Foreign governments and international organisations	17 907	–	–	–	–	–	–	17 907
Public corporations and private enterprises	5 111 244	31 972	–	(17 000)	–	–	14 972	5 126 216
Households	2 412	–	–	2 276	–	–	2 276	4 688
Payments for capital assets	4 286	–	–	–	–	–	–	4 286
Machinery and equipment	4 286	–	–	–	–	–	–	4 286
Total	8 113 450	31 972	–	–	–	–	31 972	8 145 422

Programme 1: Administration

Subprogramme	2017/18							Adjusted appropriation
	Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Ministry	25 250	–	–	14 044	–	–	14 044	39 294
Departmental Management	58 100	–	–	5 476	–	–	5 476	63 576
Finance Administration	36 051	–	–	–	–	–	–	36 051
Audit Services	6 076	–	–	–	–	–	–	6 076
Corporate Services	80 753	–	–	2 000	–	–	2 000	82 753
Office Accommodation	33 311	–	–	2 500	–	–	2 500	35 811
Total	239 541	–	–	24 020	–	–	24 020	263 561
Economic classification								
Current payments	231 796	–	–	21 844	–	–	21 844	253 640
Compensation of employees	138 899	–	–	14 020	–	–	14 020	152 919
Goods and services	92 897	–	–	7 824	–	–	7 824	100 721

Programme 1: Administration (continued)

Economic classification		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Transfers and subsidies	3 459	–	–	2 176	–	–	2 176	5 635
Departmental agencies and accounts	1 047	–	–	–	–	–	–	1 047
Households	2 412	–	–	2 176	–	–	2 176	4 588
Payments for capital assets	4 286	–	–	–	–	–	–	4 286
Machinery and equipment	4 286	–	–	–	–	–	–	4 286
Total	239 541	–	–	24 020	–	–	24 020	263 561

Programme 4: Electrification and Energy Programme and Project Management

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Integrated National Electrification Programme	6 143 507	31 972	–	2 180	–	–	34 152	6 177 659
Energy Regional Offices	15 805	–	–	800	–	–	800	16 605
Programme and Project Management Office	11 338	–	–	–	–	–	–	11 338
Electricity Infrastructure/Industry Transformation	7 713	–	–	–	–	–	–	7 713
Community Upliftment Programmes and Projects	5 665	–	–	1 000	–	–	1 000	6 665
Total	6 184 028	31 972	–	3 980	–	–	35 952	6 219 980
Economic classification								
Current payments	60 998	–	–	3 980	–	–	3 980	64 978
Compensation of employees	44 232	–	–	980	–	–	980	45 212
Goods and services	16 766	–	–	3 000	–	–	3 000	19 766
Transfers and subsidies	6 123 030	31 972	–	–	–	–	31 972	6 155 002
Provinces and municipalities	2 087 048	–	–	–	–	–	–	2 087 048
Public corporations and private enterprises	4 035 982	31 972	–	–	–	–	31 972	4 067 954
Total	6 184 028	31 972	–	3 980	–	–	35 952	6 219 980

Programme 5: Nuclear Energy

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Nuclear Safety and Technology	769 527	–	–	1 200	–	–	1 200	770 727
Nuclear Non-proliferation and Radiation Security	8 003	–	–	1 250	–	–	1 250	9 253
Nuclear Policy	9 345	–	–	1 550	–	–	1 550	10 895
Total	786 875	–	–	4 000	–	–	4 000	790 875
Economic classification								
Current payments	36 224	–	–	3 900	–	–	3 900	40 124
Compensation of employees	21 181	–	–	–	–	–	–	21 181
Goods and services	15 043	–	–	3 900	–	–	3 900	18 943
Transfers and subsidies	750 651	–	–	100	–	–	100	750 751
Departmental agencies and accounts	68 573	–	–	–	–	–	–	68 573
Foreign governments and international organisations	17 907	–	–	–	–	–	–	17 907
Public corporations and private enterprises	664 171	–	–	–	–	–	–	664 171
Households	–	–	–	100	–	–	100	100
Total	786 875	–	–	4 000	–	–	4 000	790 875

Programme 6: Clean Energy

Subprogramme		2017/18					
		Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Energy Efficiency	700 703	–	–	(32 000)	–	–	668 703
Renewable Energy	65 752	–	–	–	–	–	65 752
Climate Change and Designated National Authority	8 055	–	–	–	–	–	8 055
Total	774 510	–	–	(32 000)	–	–	742 510
Economic classification							
Current payments	100 409	–	–	(15 000)	–	–	85 409
Compensation of employees	17 735	–	–	–	–	–	17 735
Goods and services	82 674	–	–	(15 000)	–	–	67 674
Transfers and subsidies	674 101	–	–	(17 000)	–	–	657 101
Provinces and municipalities	203 236	–	–	–	–	–	203 236
Departmental agencies and accounts	59 774	–	–	–	–	–	59 774
Public corporations and private enterprises	411 091	–	–	(17 000)	–	–	394 091
Total	774 510	–	–	(32 000)	–	–	742 510

Details of adjustments to Estimates of National Expenditure 2017**Roll-overs – R31.972 million**

Programme 4: Electrification and Energy Programme and Project Management

R31.972 million has been rolled over for payments to non-grid electrification service providers to finalise connections to households.

Virements and shifts within votes

Programmes					
1. Administration 2. Energy Policy and Planning 3. Petroleum and Petroleum Products Regulation 4. Electrification and Energy Programme and Project Management 5. Nuclear Energy 6. Clean Energy					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(76)	Programme 1		76
Goods and services	Training and development	(76)	Households	Scholarships for non-employees	76
Shifts within the programme as a percentage of the programme budget		1.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 6		(32 000)	Programme 1		14 020
Public corporations and private enterprises	Consultants and advisory services	(14 020)	Compensation of employees	Personnel remuneration ¹	14 020
	Consultants and advisory services	(980)	Programme 4		980
	National solar water heater project ²	(2 100)	Compensation of employees	Personnel remuneration ¹	980
	National solar water heater project ²	(7 900)	Programme 1		10 000
	National solar water heater project ²	(3 000)	Households	Once-off gratuity to the former Minister of Energy	2 100
	National solar water heater project ²	(100)	Goods and services	Regional office relocation and international ministerial obligations ¹	7 900
	National solar water heater project ²	(3 900)	Programme 4		3 000
Shifts within the programme as a percentage of the programme budget		0.0%	Goods and services	Electricity switch-on events, ministerial imbizos and public participation programmes ¹	3 000
Virements to other programmes as a percentage of the programme budget		4.1%	Programme 5		4 000
Total		(32 076)	Households	South African Young Nuclear Professional Society	100
			Goods and services	Communications, consultants, and travel and subsistence ¹	3 900

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Gifts, donations and sponsorships – R175 963

Programme 1: Administration

The department will make a donation of R75 963 to the Korea Electric Power Corporation International Nuclear Graduate School to sponsor travel and subsistence for a two-year scholarship for a masters programme. The programme began in February 2016 and is expected to end in December 2017.

Programme 5: Nuclear Energy

The department will make a donation of R100 000 to the South African Young Nuclear Professional Society to promote nuclear science and technology.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	244 822	143 658	58.7	282 762	115.5	263 561	3.2	130 808	49.6
Energy Policy and Planning	43 518	18 467	42.4	39 878	91.6	46 668	0.6	19 690	42.2
Petroleum and Petroleum Products Regulation	77 528	39 496	50.9	78 991	101.9	81 828	1.0	34 254	41.9
Electrification and Energy Programme and Project Management	5 705 155	3 713 977	65.1	5 678 659	99.5	6 219 980	76.4	3 358 884	54.0
Nuclear Energy	880 141	663 354	75.4	872 451	99.1	790 875	9.7	716 557	90.6
Clean Energy	599 392	88 056	14.7	560 101	93.4	742 510	9.1	134 661	18.1
Total	7 550 556	4 667 008	61.8	7 512 842	99.5	8 145 422	100.0	4 394 854	54.0
Economic classification									
Current payments	714 502	318 735	44.6	681 998	95.5	572 647	7.0	243 830	42.6
Compensation of employees	318 297	159 533	50.1	321 466	101.0	333 247	4.1	159 279	47.8
Goods and services	396 205	159 202	40.2	360 532	91.0	239 400	2.9	84 551	35.3
Transfers and subsidies	6 831 959	4 346 218	63.6	6 816 116	99.8	7 568 489	92.9	4 149 083	54.8
Provinces and municipalities	2 131 871	1 031 246	48.4	2 131 871	100.0	2 290 284	28.1	839 695	36.7
Departmental agencies and accounts	62 546	36 008	57.6	72 546	116.0	129 394	1.6	73 402	56.7
Foreign governments and international organisations	17 375	2 722	15.7	25 003	143.9	17 907	0.2	–	0.0
Public corporations and private enterprises	4 617 807	3 275 474	70.9	4 583 719	99.3	5 126 216	62.9	3 231 938	63.0
Households	2 360	768	32.5	2 977	126.1	4 688	0.1	4 048	86.3
Payments for capital assets	4 095	2 027	49.5	14 700	359.0	4 286	0.1	1 941	45.3
Machinery and equipment	4 095	2 027	49.5	14 700	359.0	4 286	0.1	1 941	45.3
Payments for financial assets	–	28	–	28	–	–	–	–	–
Total	7 550 556	4 667 008	61.8	7 512 842	99.5	8 145 422	100.0	4 394 854	54.0

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R7.5 billion, or 99.5 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R4.4 billion, or 54 per cent of the adjusted appropriation of R8.1 billion for the year. In comparison, mid-year expenditure in 2016/17 was R4.7 billion, or 61.8 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R272.2 million, or 5.8 per cent. This is mainly due to a rescheduling of transfer payments to municipalities and Eskom, and delays in appointing service providers.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	5 975	3 546	59.3	956 905	16 015.1	6 054	6 002	100.0	2 873	47.9
Sales of goods and services produced by department	3 820	1 927	50.4	4 209	110.2	3 808	3 822	63.7	1 690	44.2
Sales of scrap, waste, arms and other used current goods	—	—	—	—	—	2	—	—	—	—
Transfers received	1 750	1 330	76.0	1 745	99.7	1 750	1 750	29.2	1 002	57.3
Interest, dividends and rent on land	130	65	50.0	649	499.2	29	45	0.7	19	42.2
Transactions in financial assets and liabilities	275	224	81.5	950 302	345 564.4	465	385	6.4	162	42.1
Total	5 975	3 546	59.3	956 905	16 015.1	6 054	6 002	100.0	2 873	47.9

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R2.9 million, or 47.9 per cent of the adjusted revenue estimate of R6 million for the year. In comparison, mid-year revenue in 2016/17 was R3.5 million, or 59.3 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R673 000, or 19 per cent. This is mainly due to a decrease in the collection of administrative fees, petroleum fees and revenue from various affiliated energy sector education and training authorities.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration								
Households								
Social benefits								
Current	368	–	–	2 100	–	–	2 100	2 468
Employee social benefits	368	–	–	2 100	–	–	2 100	2 468
Households								
Other transfers to households								
Current	1 983	–	–	76	–	–	76	2 059
Bursaries for Non-employees	1 983	–	–	76	–	–	76	2 059
Electrification and Energy Programme and Project Management								
Public corporations and private enterprises								
Private enterprises								
Subsidies on production or products								
Capital	189 828	31 972	–	–	–	–	31 972	221 800
Various institutions: Integrated National Electrification Programme	189 828	31 972	–	–	–	–	31 972	221 800
Nuclear Energy								
Households								
Other transfers to households								
Current	–	–	–	100	–	–	100	100
Households: Bursaries (non-employees)	–	–	–	100	–	–	100	100

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

2017/18								
	Main appropriation	Adjustments appropriation					Adjusted appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand								
Clean Energy								
Public corporations and private enterprises								
Private enterprises								
Subsidies on production or products								
Capital	411 091	–	–	(17 000)	–	–	(17 000)	394 091
Various institutions: Solar water heater project	411 091	–	–	(17 000)	–	–	(17 000)	394 091

Vote 27

Environmental Affairs

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	6 848 214	6 848 214	–	–
Current payments	2 193 809	2 193 809	–	–
Transfers and subsidies	4 488 896	4 488 896	–	–
Payments for capital assets	165 509	165 509	–	–
Executive authority	Minister of Environmental Affairs			
Accounting officer	Director-General of Environmental Affairs			
Website address	www.environment.gov.za			

Vote purpose

Lead South Africa's environmental sector to achieve sustainable development towards a better quality of life for all.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of interventions developed for streamlining environmental authorisations for strategic infrastructure programmes and the industrial policy action plan per year	Administration	Outcome 10: Protect and enhance our environment assets and natural resources	2	1	–
Percentage of national environmental impact management applications processed per year	Legal, Authorisations and Compliance		98% (392/400)	98% (160/164)	–
Number of environmental authorisations inspected per year	Legal, Authorisations and Compliance		150	53	–
Improvement in the national air quality indicator (index less than 1)	Climate Change and Air Quality		1.20	– ¹	–
Number of climate change response policy interventions implemented per year	Climate Change and Air Quality		18	9	–
Percentage of state-managed protected areas assessed per year with the management effectiveness tracking tool scoring more than 67 per cent	Biodiversity and Conservation		75% (4 894 416/ 6 525 889)	67% (4 372 346/ 6 525 889)	–
Total percentage of land under conservation	Biodiversity and Conservation		12.7% (15 492 882ha/ 121 991 200ha)	12.5% (15 247 487.14 ha/ 121 991 200 ha)	–
Number of natural resource-based enterprises established in support of Vision 2024 per year	Biodiversity and Conservation		10	5	–
Number of work opportunities created through projects related to the expanded public works programme per year	Environmental Programmes	Outcome 4: Decent employment through inclusive growth	75 845	12 894	–
Number of full-time equivalent jobs created through projects related to the expanded public works programme per year	Environmental Programmes		40 368	2 898	–
Percentage of waste diverted from landfill sites for recycling	Chemicals and Waste Management	Outcome 10: Protect and enhance our environment assets and natural resources	60% (62 079 tonnes/ 103 465 tonnes)	26% (26 901 tonnes/ 103 465 tonnes)	–

1. Index result from the South African Air Quality Information System will be available only by the end of 2017/18.

Mid-year progress

The department is lagging in its achievement of targets for the number of work opportunities and full-time equivalent jobs created through the expanded public works programme. This is due to the re-evaluation of contracts and projects as a result of the audit opinion on the department. To correct this, it plans to intensify efforts to meet these targets by the end of 2017/18.

The department has almost met its annual target for the percentage of land under conservation as a result of a higher than expected number of landowners volunteering their land.

Adjusted Estimates of National Expenditure 2017

Programme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	863 045	–	–	–	–	–	–	863 045
Legal, Authorisations and Compliance	179 780	–	–	–	–	–	–	179 780
Oceans and Coasts	468 455	–	–	–	–	–	–	468 455
Climate Change and Air Quality	294 872	–	–	–	–	–	–	294 872
Biodiversity and Conservation	696 518	–	–	–	–	–	–	696 518
Environmental Programmes	3 895 209	–	–	33 000	–	–	33 000	3 928 209
Chemicals and Waste Management	450 335	–	–	(33 000)	–	–	(33 000)	417 335
Total	6 848 214	–	–	–	–	–	–	6 848 214
Economic classification								
Current payments	2 193 809	–	–	–	–	–	–	2 193 809
Compensation of employees	1 035 073	–	–	15 000	–	–	15 000	1 050 073
Goods and services	1 158 736	–	–	(15 000)	–	–	(15 000)	1 143 736
Transfers and subsidies	4 488 896	–	–	–	–	–	–	4 488 896
Departmental agencies and accounts	1 201 169	–	–	–	–	–	–	1 201 169
Foreign governments and international organisations	16 000	–	–	–	–	–	–	16 000
Public corporations and private enterprises	110 455	–	–	–	–	–	–	110 455
Non-profit institutions	3 835	–	–	–	–	–	–	3 835
Households	3 157 437	–	–	–	–	–	–	3 157 437
Payments for capital assets	165 509	–	–	–	–	–	–	165 509
Buildings and other fixed structures	136 901	–	–	–	–	–	–	136 901
Machinery and equipment	28 608	–	–	–	–	–	–	28 608
Total	6 848 214	–	–	–	–	–	–	6 848 214

Programme 1: Administration

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management	184 231	–	–	–	–	–	–	184 231
Corporate Affairs	218 209	–	–	–	–	66 744	66 744	284 953
Environmental Advisory Services	112 738	–	–	–	–	–	–	112 738
Financial Management	71 222	–	–	–	–	–	–	71 222
Office Accommodation	209 901	–	–	–	–	–	–	209 901
Environmental Sector Coordination	66 744	–	–	–	–	(66 744)	(66 744)	–
Total	863 045	–	–	–	–	–	–	863 045

Programme 1: Administration (continued)

Economic classification		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	703 395	–	–	–	–	–	–	703 395
Compensation of employees	394 092	–	–	–	–	–	–	394 092
Goods and services	309 303	–	–	–	–	–	–	309 303
Transfers and subsidies	16 000	–	–	–	–	–	–	16 000
Foreign governments and international organisations	16 000	–	–	–	–	–	–	16 000
Payments for capital assets	143 650	–	–	–	–	–	–	143 650
Buildings and other fixed structures	136 901	–	–	–	–	–	–	136 901
Machinery and equipment	6 749	–	–	–	–	–	–	6 749
Total	863 045	–	–	–	–	–	–	863 045

Programme 2: Legal, Authorisations and Compliance

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Legal, Authorisations and Compliance Management	6 691	–	–	–	–	–	–	6 691
Compliance Monitoring	26 210	–	–	–	–	–	–	26 210
Integrated Environmental Authorisations	52 572	–	–	–	–	–	–	52 572
Enforcement	66 959	–	–	–	–	–	–	66 959
Corporate Legal Support and Litigation	10 461	–	–	–	–	–	–	10 461
Law Reform and Appeals	16 887	–	–	–	–	–	–	16 887
Total	179 780	–	–	–	–	–	–	179 780
Economic classification								
Current payments	178 185	–	–	–	–	–	–	178 185
Compensation of employees	109 796	–	–	15 000	–	–	15 000	124 796
Goods and services	68 389	–	–	(15 000)	–	–	(15 000)	53 389
Payments for capital assets	1 595	–	–	–	–	–	–	1 595
Machinery and equipment	1 595	–	–	–	–	–	–	1 595
Total	179 780	–	–	–	–	–	–	179 780

Programme 6: Environmental Programmes

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Environmental Protection and Infrastructure Programme	1 505 377	–	–	–	–	–	–	1 505 377
Working for Water and Working on Fire	2 037 943	–	–	33 000	–	–	33 000	2 070 943
Green Fund	110 455	–	–	–	–	–	–	110 455
Environmental Programmes Management	174 149	–	–	–	–	–	–	174 149
Information Management and Sector Coordination	67 285	–	–	–	–	–	–	67 285
Total	3 895 209	–	–	33 000	–	–	33 000	3 928 209
Economic classification								
Current payments	483 679	–	–	–	–	–	–	483 679
Compensation of employees	228 969	–	–	–	–	–	–	228 969
Goods and services	254 710	–	–	–	–	–	–	254 710

Programme 6: Environmental Programmes (continued)

Economic classification		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Transfers and subsidies	3 408 660	–	–	33 000	–	–	33 000	3 441 660
Departmental agencies and accounts	418 768	–	–	–	–	–	–	418 768
Public corporations and private enterprises	110 455	–	–	–	–	–	–	110 455
Households	2 879 437	–	–	33 000	–	–	33 000	2 912 437
Payments for capital assets	2 870	–	–	–	–	–	–	2 870
Machinery and equipment	2 870	–	–	–	–	–	–	2 870
Total	3 895 209	–	–	33 000	–	–	33 000	3 928 209

Programme 7: Chemicals and Waste Management

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Chemicals and Waste Management	6 482	–	–	–	–	–	–	6 482
Hazardous Waste Management and Licensing	63 674	–	–	(33 000)	–	–	(33 000)	30 674
General Waste and Municipal Support	39 923	–	–	–	–	–	–	39 923
Chemicals and Waste Policy, Evaluation and Monitoring	329 012	–	–	–	–	–	–	329 012
Chemicals Management	11 244	–	–	–	–	–	–	11 244
Total	450 335	–	–	(33 000)	–	–	(33 000)	417 335
Economic classification								
Current payments	164 570	–	–	–	–	–	–	164 570
Compensation of employees	57 616	–	–	–	–	–	–	57 616
Goods and services	106 954	–	–	–	–	–	–	106 954
Transfers and subsidies	285 132	–	–	(33 000)	–	–	(33 000)	252 132
Departmental agencies and accounts	7 132	–	–	–	–	–	–	7 132
Households	278 000	–	–	(33 000)	–	–	(33 000)	245 000
Payments for capital assets	633	–	–	–	–	–	–	633
Machinery and equipment	633	–	–	–	–	–	–	633
Total	450 335	–	–	(33 000)	–	–	(33 000)	417 335

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Legal, Authorisations and Compliance					
3. Oceans and Coasts					
4. Climate Change and Air Quality					
5. Biodiversity and Conservation					
6. Environmental Programmes					
7. Chemicals and Waste Management					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(15 000)	Programme 2		15 000
Goods and services	Agency and support/outsourced services	(15 000)	Compensation of employees	Personnel remuneration ¹	15 000
Shifts within the programme as a percentage of the programme budget		8.3%			
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 7		(33 000)	Programme 6		33 000
Households	Reclassification of funds incorrectly classified in the 2017 ENE	(33 000)	Households	Reclassification of funds incorrectly classified in the 2017 ENE	33 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		7.3%			
Total		(48 000)			48 000

1. National Treasury approval has been obtained.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	803 226	374 707	46.7	827 902	103.1	863 045	12.6	400 383	46.4
Legal, Authorisations and Compliance	164 647	63 414	38.5	154 303	93.7	179 780	2.6	74 506	41.4
Oceans and Coasts	475 041	226 208	47.6	502 681	105.8	468 455	6.8	192 807	41.2
Climate Change and Air Quality	289 582	145 427	50.2	295 484	102.0	294 872	4.3	146 629	49.7
Biodiversity and Conservation	718 249	409 716	57.0	738 721	102.9	696 518	10.2	343 335	49.3
Environmental Programmes	3 865 083	1 455 222	37.7	3 766 912	97.5	3 928 209	57.4	1 423 075	36.2
Chemicals and Waste Management	109 273	33 939	31.1	94 968	86.9	417 335	6.1	44 216	10.6
Total	6 425 101	2 708 633	42.2	6 380 971	99.3	6 848 214	100.0	2 624 951	38.3
Economic classification									
Current payments	2 127 390	942 203	44.3	2 082 440	97.9	2 193 809	32.0	929 265	42.4
Compensation of employees	996 609	487 959	49.0	992 748	99.6	1 050 073	15.3	536 037	51.0
Goods and services	1 130 781	454 244	40.2	1 089 692	96.4	1 143 736	16.7	393 228	34.4
Transfers and subsidies	4 135 616	1 676 148	40.5	4 110 229	99.4	4 488 896	65.5	1 627 161	36.2
Provinces and municipalities	–	81	0.0	94	0.0	–	0.0	81	0.0
Departmental agencies and accounts	1 301 157	392 412	30.2	1 271 379	97.7	1 201 169	17.5	655 862	54.6
Foreign governments and international organisations	16 000	–	0.0	16 000	100.0	16 000	0.2	–	0.0
Public corporations and private enterprises	180 000	–	0.0	180 000	0.0	110 455	1.6	–	0.0
Non-profit institutions	4 487	4 287	95.5	4 487	100.0	3 835	0.1	3 487	90.9
Households	2 633 972	1 279 368	48.6	2 638 269	100.2	3 157 437	46.1	967 731	30.6
Payments for capital assets	162 095	90 094	55.6	188 097	116.0	165 509	2.4	68 519	41.4
Buildings and other fixed structures	135 954	54 473	40.1	136 864	100.7	136 901	2.0	60 075	43.9
Machinery and equipment	26 141	35 042	134.0	41 246	157.8	28 608	0.4	7 934	27.7
Software and other intangible assets	–	579	0.0	9 987	0.0	–	0.0	510	0.0
Payments for financial assets	–	188	–	205	–	–	0.0	6	0.0
Total	6 425 101	2 708 633	42.2	6 380 971	99.3	6 848 214	100.0	2 624 951	38.3

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R6.4 billion, or 99.3 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R2.6 billion, or 38.3 per cent of the adjusted appropriation of R6.8 billion for the year. In comparison, mid-year expenditure in 2016/17 was R2.7 billion, or 42.2 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R83.7 million, or 3.1 per cent. This is mainly due to slow spending on expanded public works programme projects as a result of audit outcomes and a review of applicable projects and contracts; and delays in establishing the department's waste bureau, which is expected to be in full operation by December 2017.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	28 294	14 719	52.0	21 180	74.9	20 747	32 733	100.0	22 404	68.4
Sales of goods and services produced by department	4 208	2 338	55.6	3 520	83.7	4 005	3 691	11.3	1 831	49.6
Sales of scrap, waste, arms and other used current goods	2	–	–	–	–	2	2	0.0	1	50.0
Transfers received	244	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 450	1 000	69.0	2 240	154.5	1 470	75	0.2	75	100.0
Interest, dividends and rent on land	150	88	58.7	122	81.3	120	59	0.2	32	54.2
Sales of capital assets	100	42	42.0	86	86.0	150	300	0.9	124	41.3
Transactions in financial assets and liabilities	22 140	11 251	50.8	15 212	68.7	15 000	28 606	87.4	20 341	71.1
Total	28 294	14 719	52.0	21 180	74.9	20 747	32 733	100.0	22 404	68.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R22.4 million, or 68.4 per cent of the adjusted revenue estimate of R32.7 million for the year. In comparison, mid-year revenue in 2016/17 was R14.7 million, or 52 per cent of the adjusted estimate for 2016/17. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R7.7 million, or 52.2 per cent. This is mainly due to the completion of projects for the expanded public works programme, and funds that were not used by service providers and returned to the department.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme								
	2017/18							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Environmental Programmes								
Households								
Other transfers to households								
Current	975 604	–	–	33 000	–	–	33 000	1 008 604
Expanded public works programme:	975 604	–	–	33 000	–	–	33 000	1 008 604
Working for Water								
Chemicals and Waste								
Management								
Households								
Other transfers to households								
Current	33 000	–	–	(33 000)	–	–	(33 000)	–
Asbestos rehabilitation	33 000	–	–	(33 000)	–	–	(33 000)	–

Vote 28

Labour

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	3 065 821	3 055 821	(30 351)	20 351
Current payments	1 817 606	1 787 255	(30 351)	–
Transfers and subsidies	1 160 710	1 162 445	–	1 735
Payments for capital assets	87 505	106 121	–	18 616
Executive authority	Minister of Labour			
Accounting officer	Director-General of Labour			
Website address	www.labour.gov.za/DOL			

Vote purpose

Play a significant role in reducing unemployment, poverty and inequality by pursuing the objectives of full and productive employment, and decent work for all, including: employment creation and enterprise development; standards and rights at work, including equality of opportunities; social protection; and social dialogue.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September) ¹	Changed target for 2017/18
Number of employers inspected per year to determine compliance with employment law	Inspection and Enforcements Services	Outcome 4: Decent employment through inclusive economic growth	217 044	108 408	–
Percentage of reported incidents investigated and finalised within 90 days	Inspection and Enforcements Services		65%	65% (280/430)	–
Number of work seekers registered on the Employment Services of South Africa database per year	Public Employment Services		500 000	437 630	–
Number of registered work seekers provided with employment counselling per year	Public Employment Services		140 000	101 814	–
Number of employment opportunities registered on the Employment Services of South Africa database per year	Public Employment Services		60 000	58 527	–
Number of registered employment opportunities filled by registered work seekers per year	Public Employment Services		8 000	11 359	–
Number of pay scales assessed per year to reduce gaps in minimum wage determination	Labour Policy and Industrial Relations		2	2	–

¹ Performance data has not been audited by the department.

Mid-year progress

437 630 work seekers and 58 527 employment opportunities were registered on the employment services of South Africa database, and employment counselling was provided to 101 814 work seekers in the first half of 2017/18. This is due to an increase in the number of advocacy campaigns and exhibitions held, and improved systems and staff capacitation.

The annual target for the number of registered employment opportunities filled by registered work seekers has been exceeded by 3 359. This is due to the increase in the number of advocacy campaigns and exhibitions held, and improved staff capacitation in preparing for interviews and finding available opportunities for work seekers. This indicator also includes employment opportunities from the fourth quarter of 2016/17, which was reported only in 2017/18.

The department has achieved its annual target for the number of pay scales assessed per year to reduce gaps in minimum wage determination. These assessments were planned to be undertaken in the first six months of the year in working towards determining the national minimum wage.

The department is on track to meet its targets by the end of the financial year.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration	885 562	–	–	3 729	(1 500)	–	2 229	887 791
Inspection and Enforcement Services	532 748	–	–	–	(1 500)	–	(1 500)	531 248
Public Employment Services	561 113	–	–	(3 729)	–	–	(3 729)	557 384
Labour Policy and Industrial Relations	1 086 398	–	–	–	(7 000)	–	(7 000)	1 079 398
Total	3 065 821	–	–	–	(10 000)	–	(10 000)	3 055 821
Economic classification								
Current payments	1 817 606	–	–	(20 351)	(10 000)	–	(30 351)	1 787 255
Compensation of employees	1 224 502	–	–	(1 735)	(10 000)	–	(11 735)	1 212 767
Goods and services	593 104	–	–	(18 616)	–	–	(18 616)	574 488
Transfers and subsidies	1 160 710	–	–	1 735	–	–	1 735	1 162 445
Provinces and municipalities	490	–	–	–	–	–	–	490
Departmental agencies and accounts	962 182	–	–	–	–	–	–	962 182
Foreign governments and international organisations	23 813	–	–	–	–	–	–	23 813
Non-profit institutions	173 892	–	–	–	–	–	–	173 892
Households	333	–	–	1 735	–	–	1 735	2 068
Payments for capital assets	87 505	–	–	18 616	–	–	18 616	106 121
Buildings and other fixed structures	14 000	–	–	–	–	–	–	14 000
Machinery and equipment	73 505	–	–	18 556	–	–	18 556	92 061
Software and other intangible assets	–	–	–	60	–	–	60	60
Total	3 065 821	–	–	–	(10 000)	–	(10 000)	3 055 821

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation					Adjusted appropriation	
Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation		
R thousand								
Ministry	31 053	–	–	100	–	–	100	31 153
Management	251 361	–	–	4 796	(1 500)	–	3 296	254 657
Corporate Services	276 204	–	–	(847)	–	–	(847)	275 357
Office of the Chief Financial Officer	135 439	–	–	(320)	–	–	(320)	135 119
Office Accommodation	191 505	–	–	–	–	–	–	191 505
Total	885 562	–	–	3 729	(1 500)	–	2 229	887 791
Economic classification								
Current payments	831 520	–	–	(14 814)	(1 500)	–	(16 314)	815 206
Compensation of employees	384 564	–	–	(743)	(1 500)	–	(2 243)	382 321
Goods and services	446 956	–	–	(14 071)	–	–	(14 071)	432 885
Transfers and subsidies	710	–	–	743	–	–	743	1 453
Provinces and municipalities	489	–	–	–	–	–	–	489
Households	221	–	–	743	–	–	743	964
Payments for capital assets	53 332	–	–	17 800	–	–	17 800	71 132
Buildings and other fixed structures	14 000	–	–	–	–	–	–	14 000
Machinery and equipment	39 332	–	–	17 800	–	–	17 800	57 132
Total	885 562	–	–	3 729	(1 500)	–	2 229	887 791

Programme 2: Inspection and Enforcement Services

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Management and Support Services: Inspection and Enforcement Services	5 301	–	–	–	–	–	–	5 301
Occupational Health and Safety	29 714	–	–	–	–	–	–	29 714
Registration: Inspection and Enforcement Services	62 404	–	–	116	–	–	116	62 520
Compliance, Monitoring and Enforcement Services	421 356	–	–	(116)	(1 500)	–	(1 616)	419 740
Training of Staff: Inspection and Enforcement Services	5 387	–	–	–	–	–	–	5 387
Statutory and Advocacy Services	8 586	–	–	–	–	–	–	8 586
Total	532 748	–	–	–	(1 500)	–	(1 500)	531 248
Economic classification								
Current payments	498 752	–	–	(493)	(1 500)	–	(1 993)	496 759
Compensation of employees	433 177	–	–	(493)	(1 500)	–	(1 993)	431 184
Goods and services	65 575	–	–	–	–	–	–	65 575
Transfers and subsidies	68	–	–	493	–	–	493	561
Households	68	–	–	493	–	–	493	561
Payments for capital assets	33 928	–	–	–	–	–	–	33 928
Machinery and equipment	33 928	–	–	–	–	–	–	33 928
Total	532 748	–	–	–	(1 500)	–	(1 500)	531 248

Programme 3: Public Employment Services

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Management and Support Services: Public Employment Services	44 282	–	–	(230)	–	–	(230)	44 052
Employer Services	105 721	–	–	(1 484)	–	–	(1 484)	104 237
Work Seeker Services	183 450	–	–	(2 245)	–	–	(2 245)	181 205
Designated Groups Special Services	12 722	–	–	–	–	–	–	12 722
Supported Employment Enterprises	147 497	–	–	–	–	–	–	147 497
Productivity South Africa	50 341	–	–	–	–	–	–	50 341
Unemployment Insurance Fund	1	–	–	–	–	–	–	1
Compensation Fund	15 917	–	–	–	–	–	–	15 917
Training of Staff: Public Employment Services	1 182	–	–	230	–	–	230	1 412
Total	561 113	–	–	(3 729)	–	–	(3 729)	557 384
Economic classification								
Current payments	340 731	–	–	(4 233)	–	–	(4 233)	336 498
Compensation of employees	304 941	–	–	(14)	–	–	(14)	304 927
Goods and services	35 790	–	–	(4 219)	–	–	(4 219)	31 571
Transfers and subsidies	220 332	–	–	14	–	–	14	220 346
Departmental agencies and accounts	66 259	–	–	–	–	–	–	66 259
Non-profit institutions	154 029	–	–	–	–	–	–	154 029
Households	44	–	–	14	–	–	14	58
Payments for capital assets	50	–	–	490	–	–	490	540
Machinery and equipment	50	–	–	430	–	–	430	480
Software and other intangible assets	–	–	–	60	–	–	60	60
Total	561 113	–	–	(3 729)	–	–	(3 729)	557 384

Programme 4: Labour Policy and Industrial Relations

Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Management and Support Services: Labour Policy and Industrial Relations	15 981	–	–	(348)	–	–	(348)	15 633
Strengthen Civil Society	19 823	–	–	–	–	–	–	19 823
Collective Bargaining	15 521	–	–	270	–	–	270	15 791
Employment Equity	16 361	–	–	84	–	–	84	16 445
Employment Standards	24 591	–	–	(1 783)	(7 000)	–	(8 783)	15 808
Commission for Conciliation, Mediation and Arbitration	864 090	–	–	–	–	–	–	864 090
Research, Policy and Planning	10 413	–	–	(40)	–	–	(40)	10 373
Labour Market Information and Statistics	42 436	–	–	(883)	–	–	(883)	41 553
International Labour Matters	45 349	–	–	2 700	–	–	2 700	48 049
National Economic Development and Labour Council	31 833	–	–	–	–	–	–	31 833
Total	1 086 398	–	–	–	(7 000)	–	(7 000)	1 079 398
Economic classification								
Current payments	146 603	–	–	(811)	(7 000)	–	(7 811)	138 792
Compensation of employees	101 820	–	–	(485)	(7 000)	–	(7 485)	94 335
Goods and services	44 783	–	–	(326)	–	–	(326)	44 457
Transfers and subsidies	939 600	–	–	485	–	–	485	940 085
Provinces and municipalities	1	–	–	–	–	–	–	1
Departmental agencies and accounts	895 923	–	–	–	–	–	–	895 923
Foreign governments and international organisations	23 813	–	–	–	–	–	–	23 813
Non-profit institutions	19 863	–	–	–	–	–	–	19 863
Households	–	–	–	485	–	–	485	485
Payments for capital assets	195	–	–	326	–	–	326	521
Machinery and equipment	195	–	–	326	–	–	326	521
Total	1 086 398	–	–	–	(7 000)	–	(7 000)	1 079 398

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Inspection and Enforcement Services					
3. Public Employment Services					
4. Labour Policy and Industrial Relations					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(18 543)	Programme 1		18 543
Compensation of employees	Vacant posts ¹	(743)	Households	Leave gratuities	743
Goods and services	Cost containment measures effected on computer services	(17 800)	Machinery and equipment	Desktops and laptops	17 800
Shifts within the programme as a percentage of the programme budget		2.2%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(493)	Programme 2		493
Compensation of employees	Vacant posts ¹	(493)	Households	Leave gratuities	493
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(4 233)	Programme 1		3 729
Goods and services	Centralisation of payments for cleaning, communication and security services	(3 729)	Goods and services	Cleaning, communication and security services	3 729
	Cost containment measures effected on venues and facilities	(490)	Programme 3		504
			Machinery and equipment	IT hardware	430
			Software and other intangible assets	Upgrade and maintenance psychometric assessment test	60
Compensation of employees	Vacant posts ¹	(14)	Households	Leave gratuities	14
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.7%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 4		(811)	Programme 4		811
Compensation of employees	Vacant posts ¹	(485)	Households	Leave gratuities	485
Goods and services	Cost containment measures effected on consultants	(326)	Machinery and equipment	Office furniture	326
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(24 080)			24 080

1. National Treasury approval has been obtained.

Declared unspent funds – R10 million

R10 million in unspent funds has been declared on compensation of employees due to vacant posts that could not be filled.

Programme 1: Administration

R1.5 million

Programme 2: Inspection and Enforcement Services

R1.5 million

Programme 4: Labour Policy and Industrial Relations

R7 million

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	856 614	341 473	39.9	819 070	95.6	887 791	29.1	363 513	40.9
Inspection and Enforcement Services	509 341	227 089	44.6	464 269	91.2	531 248	17.4	229 519	43.2
Public Employment Services	507 203	226 172	44.6	524 879	103.5	557 384	18.2	222 771	40.0
Labour Policy and Industrial Relations	969 719	611 359	63.0	953 367	98.3	1 079 398	35.3	514 400	47.7
Total	2 842 877	1 406 093	49.5	2 761 585	97.1	3 055 821	100.0	1 330 203	43.5
Economic classification									
Current payments	1 675 880	714 828	42.7	1 545 323	92.2	1 787 255	58.5	743 678	41.6
Compensation of employees	1 107 970	502 286	45.3	1 064 694	96.1	1 212 767	39.7	515 978	42.5
Goods and services	567 910	212 542	37.4	480 629	84.6	574 488	18.8	227 700	39.6
Transfers and subsidies	1 063 403	665 388	62.6	1 073 153	100.9	1 162 445	38.0	569 337	49.0
Provinces and municipalities	701	320	45.6	586	83.6	490	0.0	314	64.1
Departmental agencies and accounts	868 294	582 108	67.0	879 423	101.3	962 182	31.5	484 038	50.3
Higher education institutions	–	–	–	19 719	–	–	0.0	–	–
Foreign governments and international organisations	21 957	1	0.0	–	0.0	23 813	0.8	–	0.0
Non-profit institutions	169 644	80 430	47.4	168 787	99.5	173 892	5.7	82 931	47.7
Households	2 807	2 529	90.1	4 638	165.2	2 068	0.1	2 054	99.3
Payments for capital assets	103 594	25 876	25.0	140 541	135.7	106 121	3.5	17 188	16.2
Buildings and other fixed structures	28 000	774	2.8	29 198	104.3	14 000	0.5	336	2.4
Machinery and equipment	75 594	25 102	33.2	64 977	86.0	92 121	3.0	16 852	18.3
Software and other intangible assets	–	–	–	46 366	–	–	0.0	–	–
Payments for financial assets	–	1	–	2 568	–	–	0.0	–	–
Total	2 842 877	1 406 093	49.5	2 761 585	97.1	3 055 821	100.0	1 330 203	43.5

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R2.8 billion, or 97.1 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R1.3 billion, or 43.5 per cent of the adjusted appropriation of R3.1 billion for the year. In comparison, mid-year expenditure in 2016/17 was R1.4 billion, or 49.5 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R75.9 million, or 5.4 per cent. The first tranche payment to departmental agencies and accounts was higher in 2016/17. Spending on buildings and other fixed structures has also been slow because of delays in receiving invoices, as has spending on machinery and equipment, because of a pending review on the procurement of vehicles for the department's fleet.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	12 866	6 433	50.0	11 702	91.0	11 606	17 168	100.0	9 998	58.2
Sales of goods and services produced by department	4 808	2 404	50.0	4 530	94.2	4 501	4 441	25.9	2 243	50.5
Sales of scrap, waste, arms and other used current goods	44	22	50.0	25	56.8	25	37	0.2	18	48.6
Transfers received	—	—	—	—	—	—	244	1.4	—	—
Fines, penalties and forfeits	1 040	520	50.0	1 011	97.2	60	1 020	5.9	510	50.0
Interest, dividends and rent on land	1 252	626	50.0	1 377	110.0	1 460	1 460	8.5	718	49.2
Sales of capital assets	32	16	50.0	29	90.6	500	300	1.7	—	—
Transactions in financial assets and liabilities	5 690	2 845	50.0	4 730	83.1	5 060	9 666	56.3	6 509	67.3
Total	12 866	6 433	50.0	11 702	91.0	11 606	17 168	100.0	9 998	58.2

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R10 million, or 58.2 per cent of the adjusted revenue estimate of R17.2 million for the year. In comparison, mid-year revenue in 2016/17 was R6.4 million, or 50 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R3.6 million, or 55.4 per cent. This is mainly due to expenditure recovered from the department's travel agent, and the preceding financial year's agency services for the Unemployment Insurance Fund and the Compensation Fund.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration								
Households								
Social benefits								
Current	221	–	–	466	–	–	466	687
Employee social benefits	221	–	–	466	–	–	466	687
Households								
Other transfers to households								
Current	–	–	–	277	–	–	277	277
Employee social benefits	–	–	–	277	–	–	277	277

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

Summary of changes to transfers and subsidies per programme (continued)								
2017/18								
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Inspection and Enforcement Services								
Households								
Social benefits								
Current	68	–	–	479	–	–	479	547
Employee social benefits	68	–	–	479	–	–	479	547
Households								
Other transfers to households								
Current	–	–	–	14	–	–	14	14
Employee social benefits	–	–	–	14	–	–	14	14
Public Employment Services								
Households								
Social benefits								
Current	44	–	–	14	–	–	14	58
Employee social benefits	44	–	–	14	–	–	14	58
Labour Policy and Industrial Relations								
Households								
Social benefits								
Current	–	–	–	485	–	–	485	485
Employee social benefits	–	–	–	485	–	–	485	485

Vote 29

Mineral Resources

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 779 449	1 779 449	(24 360)	24 360
of which:				
Current payments	846 661	871 021	–	24 360
Transfers and subsidies	921 127	896 767	(24 360)	–
Payments for capital assets	11 661	11 661	–	–
Executive authority	Minister of Mineral Resources			
Accounting officer	Director-General of Mineral Resources			
Website address	www.dmr.gov.za			

Vote purpose

Promote and regulate the minerals and mining sector for transformation, growth and development. Ensure that all South Africans derive sustainable benefits from the country's mineral wealth.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of occupational health and safety inspections, and mine audits conducted per year	Mine Health and Safety	Outcome 4: Decent employment through inclusive growth	8 396	5 374	–
Number of mining rights and permits granted or issued to historically disadvantaged South Africans per year	Mineral Regulation		150 ¹	74	–
Number of industry workshops on compliance issues conducted per year	Mineral Regulation		9	3	–
Number of social and labour plan verification inspections per year	Mineral Regulation		212	147	–
Number of environmental verification inspections per year	Mineral Regulation	Outcome 10: Protect and enhance our environmental assets and natural resources	1 275	799	–
Number of mine economics verification audits per year	Mineral Regulation	Outcome 4: Decent employment through inclusive growth	425	271	–
Number of publications per year	Mineral Policy and Promotion		12	1	–
Number of legislative instruments reviewed and amended per year	Mineral Policy and Promotion		5	1	–
Number of derelict and ownerless mines rehabilitated per year	Mineral Policy and Promotion		45	6	–
Number of small, medium and micro enterprises (SMMEs) supported (new and established) per year	Mineral Policy and Promotion	Outcome 7: Comprehensive rural development and land reform	80	49	–
Number of investment promotion events/forums/workshops per year	Mineral Policy and Promotion	Outcome 4: Decent employment through inclusive growth	55	18	–

1. Indicator changed to align with indicator published in the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

Mid-year progress

The department conducted 147 social and labour plan verification inspections, 799 environmental verification inspections, and 271 mine economics verification audits during the first half of the year. These achievements are due to the department receiving a higher than anticipated number of applications for mining licence renewals and mine closure certificates in the first six months of 2017/18. These applications required inspections, audits and verifications to be conducted before they were approved to ensure compliance with environmental regulations. 3 industry workshops were conducted in the first six months of the year against a target of 9. The department plans to conduct 6 workshops in the second half of the year to meet its target.

Only 1 publication out of a targeted 12 for the year was published in the first six months of 2017/18. This is due to delays in finalising production because of a shortage of staff. It is expected that the target will be met by the end of the year as the department will collaborate with state-owned entities to produce these publications in the third quarter.

The Mineral and Petroleum Resources Development Amendment Bill is still in Parliament, and the African Exploration Mining and Finance Corporation Bill is still with Cabinet. Due to these delays, it is unlikely that the department will meet its target of reviewing and amending 5 legislative instruments by the end of the financial year.

The department rehabilitated 6 derelict and ownerless mines in the first six months of the year against an annual target of 45. It is in the process of revising the planned list of mines for rehabilitation as most sites are on private land.

18 investment promotion events, forums or workshops were hosted in the first six months of the year against an annual target of 55. The delay in hosting these events is due to key stakeholders in the mining sector being unavailable. The department plans to secure the availability of these stakeholders for these events, forums and workshops in the second half of the year.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Administration	317 722	–	–	22 209	–	–	22 209	339 931
Mine Health and Safety	189 401	–	–	4 745	–	–	4 745	194 146
Mineral Regulation	364 577	–	–	14 683	–	–	14 683	379 260
Mineral Policy and Promotion	907 749	–	–	(41 637)	–	–	(41 637)	866 112
Total	1 779 449	–	–	–	–	–	–	1 779 449
Economic classification								
Current payments	846 661	–	–	24 360	–	–	24 360	871 021
Compensation of employees	572 760	–	–	18 000	–	–	18 000	590 760
Goods and services	273 901	–	–	6 360	–	–	6 360	280 261
Transfers and subsidies	921 127	–	–	(24 360)	–	–	(24 360)	896 767
Departmental agencies and accounts	430 855	–	–	10 000	–	–	10 000	440 855
Public corporations and private enterprises	488 754	–	–	(34 360)	–	–	(34 360)	454 394
Households	1 518	–	–	–	–	–	–	1 518
Payments for capital assets	11 661	–	–	–	–	–	–	11 661
Buildings and other fixed structures	1 830	–	–	–	–	–	–	1 830
Machinery and equipment	9 831	–	–	–	–	–	–	9 831
Total	1 779 449	–	–	–	–	–	–	1 779 449

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Ministry	27 513	–	–	537	–	–	537	28 050
Corporate Services	123 920	–	–	21 155	–	–	21 155	145 075
Department Management	20 324	–	–	1 452	–	–	1 452	21 776
Financial Administration	98 903	–	–	(1 280)	–	–	(1 280)	97 623
Internal Audit	14 179	–	–	345	–	–	345	14 524
Office Accommodation	32 883	–	–	–	–	–	–	32 883
Total	317 722	–	–	22 209	–	–	22 209	339 931
Economic classification								
Current payments	303 585	–	–	22 209	–	–	22 209	325 794
Compensation of employees	174 250	–	–	5 476	–	–	5 476	179 726
Goods and services	129 335	–	–	16 733	–	–	16 733	146 068
Transfers and subsidies	3 358	–	–	–	–	–	–	3 358
Departmental agencies and accounts	1 840	–	–	–	–	–	–	1 840
Households	1 518	–	–	–	–	–	–	1 518
Payments for capital assets	10 779	–	–	–	–	–	–	10 779
Buildings and other fixed structures	1 830	–	–	–	–	–	–	1 830
Machinery and equipment	8 949	–	–	–	–	–	–	8 949
Total	317 722	–	–	22 209	–	–	22 209	339 931

Programme 2: Mine Health and Safety

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Governance Policy and Oversight	46 060	–	–	1 027	–	–	1 027	47 087
Mine Health and Safety Regions	137 179	–	–	3 718	–	–	3 718	140 897
Mine Health and Safety Council	6 162	–	–	–	–	–	–	6 162
Total	189 401	–	–	4 745	–	–	4 745	194 146
Economic classification								
Current payments	182 550	–	–	4 745	–	–	4 745	187 295
Compensation of employees	150 975	–	–	4 745	–	–	4 745	155 720
Goods and services	31 575	–	–	–	–	–	–	31 575
Transfers and subsidies	6 162	–	–	–	–	–	–	6 162
Departmental agencies and accounts	6 162	–	–	–	–	–	–	6 162
Payments for capital assets	689	–	–	–	–	–	–	689
Machinery and equipment	689	–	–	–	–	–	–	689
Total	189 401	–	–	4 745	–	–	4 745	194 146

Programme 3: Mineral Regulation

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Mineral Regulation and Administration	194 120	–	–	5 078	–	–	5 078	199 198
Management Mineral Regulation	27 454	–	–	(395)	–	–	(395)	27 059
South African Diamond and Precious Metals Regulator	55 865	–	–	10 000	–	–	10 000	65 865
Petroleum Agency South Africa	87 138	–	–	–	–	–	–	87 138
Total	364 577	–	–	14 683	–	–	14 683	379 260

Programme 3: Mineral Regulation (continued)

Economic classification		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	221 535	–	–	4 683	–	–	4 683	226 218
Compensation of employees	180 822	–	–	5 683	–	–	5 683	186 505
Goods and services	40 713	–	–	(1 000)	–	–	(1 000)	39 713
Transfers and subsidies	143 003	–	–	10 000	–	–	10 000	153 003
Departmental agencies and accounts	55 865	–	–	10 000	–	–	10 000	65 865
Public corporations and private enterprises	87 138	–	–	–	–	–	–	87 138
Payments for capital assets	39	–	–	–	–	–	–	39
Machinery and equipment	39	–	–	–	–	–	–	39
Total	364 577	–	–	14 683	–	–	14 683	379 260

Programme 4: Mineral Policy and Promotion

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management	31 163	–	–	321	–	–	321	31 484
Mineral Policy	19 619	–	–	366	–	–	366	19 985
Mineral Promotion and International Coordination	75 615	–	–	(27 778)	–	–	(27 778)	47 837
Assistance to Mines	5 555	–	–	(5 555)	–	–	(5 555)	–
Council for Geoscience	366 988	–	–	–	–	–	–	366 988
Mintek	367 256	–	–	–	–	–	–	367 256
Economic Advisory Services	4 390	–	–	112	–	–	112	4 502
Mine Environmental Management	37 163	–	–	(9 103)	–	–	(9 103)	28 060
Total	907 749	–	–	(41 637)	–	–	(41 637)	866 112
Economic classification								
Current payments	138 991	–	–	(7 277)	–	–	(7 277)	131 714
Compensation of employees	66 713	–	–	2 096	–	–	2 096	68 809
Goods and services	72 278	–	–	(9 373)	–	–	(9 373)	62 905
Transfers and subsidies	768 604	–	–	(34 360)	–	–	(34 360)	734 244
Departmental agencies and accounts	366 988	–	–	–	–	–	–	366 988
Public corporations and private enterprises	401 616	–	–	(34 360)	–	–	(34 360)	367 256
Payments for capital assets	154	–	–	–	–	–	–	154
Machinery and equipment	154	–	–	–	–	–	–	154
Total	907 749	–	–	(41 637)	–	–	(41 637)	866 112

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Mine Health and Safety					
3. Mineral Regulation					
4. Mineral Policy and Promotion					
FROM:			TO		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 3		(1 000)	Programme 1		1 000
Goods and services	Cost containment measures effected on computer services	(1 000)	Goods and services	Board investigation into job losses	1 000
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.3%			

FROM:			TO		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 4		(43 733)	Programme 1		9 373
Goods and services	Contractors	(9 373)	Goods and services	Operating leases for office accommodation	9 373
Public corporations and private enterprises	Industrial Development Corporation ²	(5 683)	Programme 3		15 683
	Industrial Development Corporation ²	(10 000)	Compensation of employees	Personnel remuneration and performance bonuses ²	5 683
	Industrial Development Corporation ²	(2 096)	Departmental agencies and accounts	Kimberley Process working group on monitoring ¹	10 000
	Industrial Development Corporation ²	(6 360)	Programme 4		2 096
	Industrial Development Corporation ²	(5 476)	Compensation of employees	Personnel remuneration and performance bonuses ²	2 096
	Industrial Development Corporation ²	(4 745)	Programme 1		11 836
			Goods and services	Operating leases for office accommodation	6 360
			Compensation of employees	Personnel remuneration and performance bonuses ²	5 476
			Programme 2		4 745
			Compensation of employees	Personnel remuneration and performance bonuses ²	4 745
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		4.6%			
Total		(44 733)			44 733

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	345 814	176 623	51.1	361 050	104.4	339 931	19.1	180 684	53.2
Mine Health and Safety	189 873	93 173	49.1	189 557	99.8	194 146	10.9	102 409	52.7
Mineral Regulation	265 127	127 648	48.1	258 758	97.6	379 260	21.3	173 752	45.8
Mineral Policy and Promotion	868 263	520 340	59.9	851 736	98.1	866 112	48.7	491 356	56.7
Total	1 669 077	917 784	55.0	1 661 101	99.5	1 779 449	100.0	948 201	53.3
Economic classification									
Current payments	863 874	418 164	48.4	858 580	99.4	871 021	48.9	423 678	48.6
Compensation of employees	564 368	278 740	49.4	558 799	99.0	590 760	33.2	286 784	48.5
Goods and services	299 506	139 424	46.6	299 781	100.1	280 261	15.7	136 894	48.8
Transfers and subsidies	791 581	497 756	62.9	791 316	100.0	896 767	50.4	522 169	58.2
Departmental agencies and accounts	433 519	308 506	71.2	433 519	100.0	440 855	24.8	306 474	69.5
Public corporations and private enterprises	356 616	188 794	52.9	356 616	100.0	454 394	25.5	214 617	47.2
Households	1 446	456	31.5	1 181	81.7	1 518	0.1	1 078	71.0
Payments for capital assets	13 622	1 856	13.6	9 919	72.8	11 661	0.7	2 354	20.2
Buildings and other fixed structures	3 852	55	1.4	153	4.0	1 830	0.1	105	5.7
Machinery and equipment	9 770	1 801	18.4	9 766	100.0	9 831	0.6	2 249	22.9
Payments for financial assets	-	8	-	1 286	-	-	0.0	-	0.0
Total	1 669 077	917 784	55.0	1 661 101	99.5	1 779 449	100.0	948 201	53.3

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R1.7 billion, or 99.5 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R948.2 million, or 53.3 per cent of the adjusted appropriation of R1.8 billion for the year. In comparison, mid-year expenditure in 2016/17 was R917.8 million, or 55 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R30.4 million, or 3.3 per cent. This is mainly due to expenditure on office accommodation that was not adequately budgeted for.

Departmental receipts

R thousand	2016/17					2017/18				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	30 157	18 859	62.5	38 072	126.2	29 733	40 250	100.0	19 740	49.0
Sales of goods and services produced by department	9 288	5 026	54.1	10 147	109.2	9 846	11 354	28.2	5 505	48.5
Sales of scrap, waste, arms and other used current goods	1	1	100.0	1	100.0	1	–	–	–	–
Fines, penalties and forfeits	424	232	54.7	990	233.5	449	859	2.1	442	51.4
Interest, dividends and rent on land	18 014	11 292	62.7	23 882	132.6	19 094	25 580	63.6	12 046	47.1
Transactions in financial assets and liabilities	2 430	2 308	95.0	3 052	125.6	343	2 456	6.1	1 747	71.1
Total	30 157	18 859	62.5	38 072	126.2	29 733	40 250	100.0	19 740	49.0

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R19.7 million, or 49 per cent of the adjusted revenue estimate of R40.3 million for the year. In comparison, mid-year revenue in 2016/17 was R18.9 million, or 62.5 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R881 000, or 4.7 per cent. This is mainly due to an increase in payments that were due in previous financial years for prospecting fees and permits for mining rights.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

		2017/18						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Mineral Regulation								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	55 865	–	–	10 000	–	–	10 000	65 865
South African Diamond and Precious Metal Regulator	55 865	–	–	10 000	–	–	10 000	65 865
Mineral Policy and Promotion								
Public corporations and private enterprises								
Public corporations								
Subsidies on production or products								
Current	28 805	–	–	(28 805)	–	–	(28 805)	–
Industrial Development Corporation	28 805	–	–	(28 805)	–	–	(28 805)	–
Private enterprises								
Subsidies on production or products								
Current	5 555	–	–	(5 555)	–	–	(5 555)	–
Various institutions: Water management solutions subsidies for marginal mines	5 555	–	–	(5 555)	–	–	(5 555)	–

Vote 30

Science and Technology

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	7 557 229	7 557 229	(5 040)	5 040
of which:				
Current payments	575 769	570 729	(5 040)	–
Transfers and subsidies	6 960 482	6 964 482	–	4 000
Payments for capital assets	20 978	22 018	–	1 040
Executive authority	Minister of Science and Technology			
Accounting officer	Director-General of Science and Technology			
Website address	www.dst.gov.za			

Vote purpose

Realise the full potential of science and technology in social and economic development by developing human resources, research and innovation.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of instruments funded in support of knowledge utilisation per year	Technology Innovation	Outcome 4: Decent employment through inclusive growth	19	6	–
Number of commercial outputs in designated areas per year	Technology Innovation		4	2	–
Amount of international funds directly invested in research, science, technology and innovation human capital development programmes, as well as research infrastructure investment in South Africa, accounted for as part of cooperation initiatives implemented by the department, per year	International Cooperation and Resources		R420m	R23.6m	–
Number of PhD students awarded bursaries, as reflected in National Research Foundation and relevant entities project reports per year	Research, Development and Support	Outcome 5: A skilled and capable workforce to support an inclusive growth path	3 100	3 066	–
Number of pipelines postgraduate (BTech, honours and masters) students awarded bursaries through programmes managed by the National Research Foundation and relevant entities per year	Research, Development and Support		10 800	7 958	–
Number of research awarded research grants through programme managed by the National Research Foundation as reflected in the foundation's project reports per year	Research, Development and Support		4 500	3 865	–
Number of knowledge and innovation products added to the intellectual property portfolio through fully funded or co-funded initiatives per year	Socioeconomic Innovation Partnerships	Outcome 4: Decent employment through inclusive growth	15	10	17

Changes to indicators and targets published in the 2017 ENE

The number of knowledge and innovation products added to the intellectual property portfolio through fully funded or co-funded initiatives per year is being revised from the target of 15 published in the 2017 ENE to 17 due to additional funding received through the economic competitiveness and support package.

Mid-year progress

In the first half of 2017/18, only R23.6 million in international funding against a target of R420 million for the year was directly invested in research, science, technology and innovation human capital development programmes, and research infrastructure. This slow performance is due to delays in receiving information from international partner organisations. However, the department expects to receive the outstanding information in the second half of the year, and as a result, expects to meet the target.

Due to the increase in the number of applications received, mid-year targets have been exceeded for the number of bursaries awarded to PhD and postgraduate students, as well as research grants awarded, in programmes managed by the National Research Foundation and relevant entities.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18						
	Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Administration	383 720	–	–	(7 760)	–	–	(7 760)
Technology Innovation	1 073 621	–	–	1 495	–	–	1 495
International Cooperation and Resources	128 705	–	–	3 675	–	–	3 675
Research, Development and Support	4 348 859	–	–	1 277	–	–	1 277
Socioeconomic Innovation Partnerships	1 622 324	–	–	1 313	–	–	1 313
Total	7 557 229	–	–	–	–	–	–
Economic classification							
Current payments	575 769	–	–	(5 040)	–	–	(5 040)
Compensation of employees	315 527	–	–	11 300	–	–	11 300
Goods and services	260 242	–	–	(16 340)	–	–	(16 340)
Transfers and subsidies	6 960 482	–	–	4 000	–	–	4 000
Departmental agencies and accounts	5 204 288	–	–	–	–	–	–
Public corporations and private enterprises	1 420 110	–	–	–	–	–	–
Non-profit institutions	336 084	–	–	4 000	–	–	4 000
Payments for capital assets	20 978	–	–	1 040	–	–	1 040
Machinery and equipment	20 978	–	–	1 040	–	–	1 040
Total	7 557 229	–	–	–	–	–	–

Programme 1: Administration

Subprogramme	2017/18						
	Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Ministry	4 461	–	–	–	–	–	–
Management	108 623	–	–	7 250	–	–	7 250
Corporate Services	256 278	–	–	(13 761)	–	–	(13 761)
Governance	9 574	–	–	(1 249)	–	–	(1 249)
Office Accommodation	4 784	–	–	–	–	–	–
Total	383 720	–	–	(7 760)	–	–	(7 760)
Economic classification							
Current payments	349 239	–	–	(12 800)	–	–	(12 800)
Compensation of employees	152 729	–	–	5 672	–	–	5 672
Goods and services	196 510	–	–	(18 472)	–	–	(18 472)
Transfers and subsidies	13 503	–	–	4 000	–	–	4 000
Non-profit institutions	13 503	–	–	4 000	–	–	4 000
Payments for capital assets	20 978	–	–	1 040	–	–	1 040
Machinery and equipment	20 978	–	–	1 040	–	–	1 040
Total	383 720	–	–	(7 760)	–	–	(7 760)

Programme 2: Technology Innovation

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Space Science	173 402	–	–	1 495	–	–	1 495	174 897
Hydrogen and Energy	156 785	–	–	–	–	–	–	–
Bioeconomy	156 088	–	–	–	–	–	–	–
Innovation Priorities and Instruments	540 522	–	–	–	–	–	–	–
National Intellectual Property Management Office	46 824	–	–	–	–	–	–	–
Total	1 073 621	–	–	1 495	–	–	1 495	1 075 116
Economic classification								
Current payments	65 851	–	–	1 495	–	–	1 495	67 346
Compensation of employees	44 443	–	–	1 495	–	–	1 495	45 938
Goods and services	21 408	–	–	–	–	–	–	21 408
Transfers and subsidies	1 007 770	–	–	–	–	–	–	–
Departmental agencies and accounts	660 988	–	–	–	–	–	–	–
Public corporations and private enterprises	100 848	–	–	–	–	–	–	–
Non-profit institutions	245 934	–	–	–	–	–	–	–
Total	1 073 621	–	–	1 495	–	–	1 495	1 075 116

Programme 3: International Cooperation and Resources

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
– Multilateral Cooperation and Africa	29 617	–	–	1 543	–	–	1 543	31 160
International Resource	59 481	–	–	2 132	–	–	2 132	61 613
Overseas Bilateral Cooperation	39 607	–	–	–	–	–	–	39 607
Total	128 705	–	–	3 675	–	–	3 675	132 380
Economic classification								
Current payments	64 928	–	–	3 632	–	–	3 675	68 603
Compensation of employees	47 300	–	–	1 543	–	–	1 543	48 843
Goods and services	17 628	–	–	2 132	–	–	2 132	19 760
Transfers and subsidies	63 777	–	–	–	–	–	–	–
Departmental agencies and accounts	14 130	–	–	–	–	–	–	–
Non-profit institutions	49 647	–	–	–	–	–	–	–
Total	128 705	–	–	3 675	–	–	3 675	132 380

Programme 4: Research, Development and Support

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Human Capital and Science Promotion	2 424 804	–	–	1 277	–	–	1 277	2 426 081
Science Mission	212 967	–	–	–	–	–	–	212 967
Basic Science and Infrastructure	976 604	–	–	–	–	–	–	976 604
Astronomy	734 484	–	–	–	–	–	–	734 484
Total	4 348 859	–	–	1 277	–	–	1 277	4 350 136
Economic classification								
Current payments	47 960	–	–	1 277	–	–	1 277	49 237
Compensation of employees	32 435	–	–	1 277	–	–	1 277	33 712
Goods and services	15 525	–	–	–	–	–	–	15 525
Transfers and subsidies	4 300 899	–	–	–	–	–	–	4 300 899
Departmental agencies and accounts	4 026 486	–	–	–	–	–	–	4 026 486
Public corporations and private enterprises	274 413	–	–	–	–	–	–	274 413
Total	4 348 859	–	–	1 277	–	–	1 277	4 350 136

Programme 5: Socioeconomic Innovation Partnerships

Subprogramme	Main appropriation	2017/18 Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
R thousand							
Sector Innovation and Green Economy	982 683	–	–	1 313	–	–	983 996
Innovation for Inclusive Development	356 598	–	–	–	–	–	356 598
Science and Technology Investment	25 276	–	–	–	–	–	25 276
Technology Localisation, Beneficiation and advanced Manufacturing	257 767	–	–	–	–	–	257 767
Total	1 622 324	–	–	1 313	–	–	1 623 637
Economic classification							
Current payments	47 791	–	–	1 313	–	–	49 104
Compensation of employees	38 620	–	–	1 313	–	–	39 933
Goods and services	9 171	–	–	–	–	–	9 171
Transfers and subsidies	1 574 533	–	–	–	–	–	1 574 533
Departmental agencies and accounts	502 684	–	–	–	–	–	502 684
Public corporations and private enterprises	1 044 849	–	–	–	–	–	1 044 849
Non-profit institution	27 000	–	–	–	–	–	27 000
Total	1 622 324	–	–	1 313	–	–	1 623 637

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes****Programmes**

- Administration
- Technology Innovation
- International Cooperation and Resources
- Research, Development and Support
- Socioeconomic Innovation Partnerships

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(18 472)	Programme 1		10 712
Goods and services	Cost containment measures effected on catering	(1 040)	Machinery and equipment	Audiovisual equipment and vehicles	1 040
	Cost containment measures effected on advertising	(5 672)	Compensation of employees	Personnel remuneration ¹	5 672
	Reallocation of funds incorrectly allocated in the 2017 ENE	(4 000)	Non-profit institutions	Mzansi for Science project	4 000
	Cost containment measures effected on advertising	(1 495)	Programme 2		1 495
	Cost containment measures effected on advertising	(1 543)	Compensation of employees	Personnel remuneration ¹	1 495
	Cost containment measures effected on advertising	(2 132)	Programme 3		3 675
	Cost containment measures effected on business and advisory services	(1 277)	Compensation of employees	Personnel remuneration ¹	1 543
	Cost containment measures effected on contractors	(1 313)	Goods and services	Travel and subsistence	2 132
Shifts within the programme as a percentage of the programme budget			Programme 4		1 277
Virements to other programmes as a percentage of the programme budget			Compensation of employees	Personnel remuneration ¹	1 277
Total			Programme 5		1 313
			Compensation of employees	Personnel remuneration ¹	1 313
Shifts within the programme as a percentage of the programme budget					
Virements to other programmes as a percentage of the programme budget					
Total					18 472

1. National Treasury approval has been obtained.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	345 142	157 840	45.7	332 629	96.4	375 960	5.0	140 634	37.4
Technology Innovation	1 005 418	627 349	62.4	1 015 860	101.0	1 075 116	14.2	486 633	45.3
International Cooperation and Resources	124 463	59 821	48.1	118 466	95.2	132 380	1.8	43 098	32.6
Research, Development and Support	4 170 997	3 386 151	81.2	4 152 630	99.6	4 350 136	57.6	1 696 842	39.0
Socioeconomic Innovation Partnerships	1 782 976	870 695	48.8	1 764 009	98.9	1 623 637	21.5	817 312	50.3
Total	7 428 996	5 101 856	68.7	7 383 594	99.4	7 557 229	100.0	3 184 519	42.1
Economic classification									
Current payments	532 334	254 649	47.8	507 913	95.4	570 729	7.6	237 571	41.6
Compensation of employees	313 793	158 761	50.6	319 037	101.7	326 827	4.3	160 195	49.0
Goods and services	218 541	95 888	43.9	188 876	86.4	243 902	3.2	77 376	31.7
Transfers and subsidies	6 872 197	4 843 392	70.5	6 860 077	99.8	6 964 482	92.2	2 940 305	42.2
Departmental agencies and accounts	5 311 421	3 738 750	70.4	4 696 599	88.4	5 204 288	68.9	1 997 643	38.4
Higher education institutions	115 622	124 008	107.3	210 329	181.9	–	0.0	–	0.0
Public corporations and private enterprises	1 299 370	909 995	70.0	1 793 985	138.1	1 420 110	18.8	807 749	56.9
Non-profit institutions	145 784	70 452	48.3	157 726	108.2	340 084	4.5	134 583	39.6
Households	–	187	0.0	1 438	0.0	–	0.0	330	0.0
Payments for capital assets	24 465	3 723	15.2	15 478	63.3	22 018	0.3	6 555	29.8
Machinery and equipment	24 465	3 723	15.2	15 478	63.3	22 018	0.3	2 702	12.3
Software and other intangible assets	–	–	0.0	–	0.0	–	0.0	3 853	0.0
Payments for financial assets	–	92	–	126	–	–	0.0	88	0.0
Total	7 428 996	5 101 856	68.7	7 383 594	99.4	7 557 229	100.0	3 184 519	42.1

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R7.4 billion, or 99.4 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R3.2 billion, or 42.1 per cent of the adjusted appropriation of R7.6 billion for the year. In comparison, mid-year expenditure in 2016/17 was R5.1 billion, or 68.7 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R1.9 billion, or 37.6 per cent. This is mainly due to delays in finalising contracts for some of the department's entities.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	7 000	5 725	81.8	8 199	117.1	242	8 189	100.0	4 095	50.0
Sales of goods and services produced by department	29	26	89.7	57	196.6	29	58	0.7	29	50.0
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	–	3	0.0	2	66.7
Interest, dividends and rent on land	8	5	62.5	9	112.5	8	56	0.7	28	50.0
Sales of capital assets	–	–	–	45	–	121	–	–	–	–
Transactions in financial assets and liabilities	6 963	5 694	81.8	8 088	116.2	84	8 072	98.6	4 036	50.0
Total	7 000	5 725	81.8	8 199	117.1	242	8 189	100.0	4 095	50.0

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R4.1 million, or 50 per cent of the adjusted revenue estimate of R8.2 million for the year. In comparison, mid-year revenue in 2016/17 was R5.7 million, or 81.8 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R1.6 million, or 28.5 per cent. This is mainly due to a decrease in reimbursements from employees for theft, losses and damage to property.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration								
Non-profit institutions								
Current	13 503	–	–	4 000	–	–	4 000	17 503
Various institutions: Institutional and programme support research	13 503	–	–	4 000	–	–	4 000	17 503

Vote 31

Small Business Development

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 449 796	1 475 670	(13 000)	38 874
of which:				
Current payments	216 970	203 970	(13 000)	–
Transfers and subsidies	1 230 272	1 266 146	–	35 874
Payments for capital assets	2 554	5 554	–	3 000
Executive authority	Minister of Small Business Development			
Accounting officer	Director-General of Small Business Development			
Website address	www.dsbd.gov.za			

Vote purpose

Promote the development of small businesses and cooperatives that contribute to inclusive economic growth and job creation.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of black small, medium and micro enterprises (SMMEs) financially assisted through the black business supplier development programme per year	Small, Medium and Micro Enterprises and Cooperatives Programme Design and Support	Outcome 4: Decent employment through inclusive growth	641	302	–
Number of cooperatives supported through training per year	Small Medium and Micro Enterprises and Cooperatives Programme Design and Support		270	190	–
Number of cooperatives financially assisted through the cooperative incentive scheme per year	Small Medium and Micro Enterprises and Cooperatives Programme Design and Support	Outcome 7: Comprehensive rural development and land reform	270	73	–
Number of informal business infrastructure funded through the shared economic infrastructure facility per year	Small Medium and Micro Enterprises and Cooperatives Programme Design and Support		6	0	–
Number of informal enterprises financially assisted through the national informal business upliftment scheme per year	Small Medium and Micro Enterprises and Cooperatives Programme Design and Support		1 696	0	–
Number of incubators established through the enterprise incubation programme per year	Small Medium and Micro Enterprises and Cooperatives Programme Design and Support	Outcome 5: A skilled and capable workforce to support an inclusive growth path	4	4	–

Mid-year progress

The department supported 190 cooperatives through training in the first half of 2017/18 due to a higher than expected number of applications received.

Financial assistance was provided to 73 cooperatives through the cooperative incentive scheme against an annual target of 270. This slow disbursement is due to a remodelling of the scheme's implementation strategy. The department plans to accelerate the provision of funding through the new model.

No informal business infrastructure has been funded through the shared economic infrastructure facility in 2017/18 due to delays in adjudication. However, claims worth R5.2 million have been received and disbursement will be processed in the third quarter. Five more projects have been approved by the adjudication committee and the department is confident that the target of 6 for the financial year will be met.

No informal enterprises have received financial assistance from the department in 2017/18 due to procurement challenges in the implementation of the national informal business upliftment scheme. It is not likely that the target will be achieved by the end of the financial year. As a result, R21.6 million will be reallocated from the programme to fund other priorities within the department.

Adjusted Estimates of National Expenditure 2017

Programme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Administration	127 614	–	–	(6 000)	–	–	(6 000)	121 614
Small, Medium and Micro Enterprises and Cooperatives	21 999	–	–	(4 000)	–	–	(4 000)	17 999
Policy and Research								
Small, Medium and Micro Enterprises and Cooperatives	1 300 183	25 874	–	10 000	–	–	35 874	1 336 057
Programme Design and Support								
Total	1 449 796	25 874	–	–	–	–	25 874	1 475 670
Economic classification								
Current payments	216 970	–	–	(13 000)	–	–	(13 000)	203 970
Compensation of employees	137 452	–	–	(5 000)	–	–	(5 000)	132 452
Goods and services	79 518	–	–	(8 000)	–	–	(8 000)	71 518
Transfers and subsidies	1 230 272	25 874	–	10 000	–	–	35 874	1 266 146
Departmental agencies and accounts	735 701	–	–	31 600	–	–	31 600	767 301
Public corporations and private enterprises	494 571	25 874	–	(21 600)	–	–	4 274	498 845
Payments for capital assets	2 554	–	–	3 000	–	–	3 000	5 554
Machinery and equipment	2 554	–	–	3 000	–	–	3 000	5 554
Total	1 449 796	25 874	–	–	–	–	25 874	1 475 670

Programme 1: Administration

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Ministry	30 802	–	–	2 300	–	–	2 300	33 102
Departmental Management	21 018	–	–	(1 706)	–	–	(1 706)	19 312
Corporate Services	49 956	–	–	(3 000)	–	–	(3 000)	46 956
Financial Management	18 780	–	–	(3 594)	–	–	(3 594)	15 186
Communications	7 058	–	–	–	–	–	–	7 058
Total	127 614	–	–	(6 000)	–	–	(6 000)	121 614
Economic classification								
Current payments	125 060	–	–	(9 000)	–	–	(9 000)	116 060
Compensation of employees	70 115	–	–	(5 000)	–	–	(5 000)	65 115
Goods and services	54 945	–	–	(4 000)	–	–	(4 000)	50 945
Payments for capital assets	2 554	–	–	3 000	–	–	3 000	5 554
Machinery and equipment	2 554	–	–	3 000	–	–	3 000	5 554
Total	127 614	–	–	(6 000)	–	–	(6 000)	121 614

Programme 2: Small, Medium and Micro Enterprises and Cooperatives Policy and Research

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Policy, Research and Legislation	11 230	–	–	(4 000)	–	–	(4 000)	7 230
Monitoring and Evaluation	6 657	–	–	–	–	–	–	6 657
International Relations	4 112	–	–	–	–	–	–	4 112
Total	21 999	–	–	(4 000)	–	–	(4 000)	17 999

Programme 2: Small, Medium and Micro Enterprises and Cooperatives Policy and Research (continued)

Programme 2: Small, medium and micro enterprises and cooperation policy and research (continued)								
Economic classification		2017/18						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	21 999	–	–	(4 000)	–	–	(4 000)	17 999
Compensation of employees	10 800	–	–	–	–	–	–	10 800
Goods and services	11 199	–	–	(4 000)	–	–	(4 000)	7 199
Total	21 999	–	–	(4 000)	–	–	(4 000)	17 999

Programme 3: Small, Medium and Micro Enterprises and Cooperatives Programme Design and Support

Subprogramme	2017/18							Adjusted appropriation
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Competitiveness Support	112 623	—	—	(21 600)	—	—	(21 600)	91 023
Enterprise Development	762 552	—	—	31 600	—	—	31 600	794 152
Cooperatives Development	7 976	—	—	—	—	—	—	7 976
Market Development	57 943	25 874	—	—	—	—	25 874	83 817
Small Medium and Micro Enterprises Development	359 089	—	—	—	—	—	—	359 089
Finance								
Total	1 300 183	25 874	—	10 000	—	—	35 874	1 336 057
Economic classification								
Current payments	69 911	—	—	—	—	—	—	69 911
Compensation of employees	56 537	—	—	—	—	—	—	56 537
Goods and services	13 374	—	—	—	—	—	—	13 374
Transfers and subsidies	1 230 272	25 874	—	10 000	—	—	35 874	1 266 146
Departmental agencies and accounts	735 701	—	—	31 600	—	—	31 600	767 301
Public corporations and private enterprises	494 571	25 874	—	(21 600)	—	—	4 274	498 845
Total	1 300 183	25 874	—	10 000	—	—	35 874	1 336 057

Details of adjustments to Estimates of National Expenditure 2017**Roll-overs – R25.874 million**

Programme 3: Small Medium and Micro Enterprises and Cooperatives Programme Design and Support

R25.874 million has been rolled over to support the establishment of new incubators, and to facilitate the growth and expansion of existing incubators.

Virements and shifts within votes

Programmes					
1. Administration					
2. Small, Medium and Micro Enterprises and Cooperatives Policy and Research					
3. Small, Medium and Micro Enterprises and Cooperatives Programme Design and Support					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(9 000)	Programme 3		5 000
Compensation of employees	Vacant posts ²	(5 000)	Departmental agencies and accounts	National Gazelles programme ¹	5 000
Goods and services	Cost containment measures effected on consultants, and travel and subsistence	(3 000)	Programme 1		3 000
			Machinery and equipment	Vehicles	3 000
	Cost containment measures effected on consultants, and travel and subsistence	(1 000)	Programme 3		1 000
			Departmental agencies and accounts	National Gazelles programme ¹	1 000
Shifts within the programme as a percentage of the programme budget		2.4%			
Virements to other programmes as a percentage of the programme budget		4.7%			

2017 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(4 000)	Programme 3		4 000
Goods and services	Cost containment measures effected on consultants, and travel and subsistence	(4 000)	Departmental agencies and accounts	National Gazelles programme ¹	4 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		18.2%²			
Programme 3		(21 600)	Programme 3		21 600
Public corporations and private enterprises	National informal business upliftment scheme ¹	(21 600)	Departmental agencies and accounts	National Gazelles programme and Small Enterprise Development Agency capacity building programme ¹	21 600
Shifts within the programme as a percentage of the programme budget		1.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(34 600)			34 600

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation	
Administration	113 956	43 852	38.5	98 925	86.8	121 614	8.2	53 170	43.7	
Small, Medium and Micro Enterprises and Cooperatives Policy and Research	25 835	6 161	23.8	13 849	53.6	17 999	1.2	4 170	23.2	
Small, Medium and Micro Enterprises and Cooperatives Programme Design and Support	1 178 648	567 797	48.2	1 084 267	92.0	1 336 057	90.5	642 041	48.1	
Total	1 318 439	617 810	46.9	1 197 041	90.8	1 475 670	100.0	699 381	47.4	
Economic classification										
Current payments	208 473	78 923	37.9	178 661	85.7	203 970	13.8	93 443	45.8	
Compensation of employees	129 681	54 550	42.1	114 022	87.9	132 452	9.0	61 922	46.8	
Goods and services	78 792	24 373	30.9	64 639	82.0	71 518	4.8	31 521	44.1	
Transfers and subsidies	1 105 786	538 409	48.7	1 015 396	91.8	1 266 146	85.8	605 206	47.8	
Provinces and municipalities	633 814	380 566	60.0	652 914	103.0	–	–	409 865	–	
Departmental agencies and accounts	471 972	157 843	33.4	362 288	76.8	767 301	52.0	195 267	25.4	
Public corporations and private enterprises	–	–	–	–	–	498 845	33.8	–	0.0	
Non-profit institutions	–	–	–	100	–	–	0.0	–	–	
Households	–	–	–	94	–	–	0.0	74	–	
Payments for capital assets	4 180	478	11.4	2 957	70.7	5 554	0.4	732	13.2	
Machinery and equipment	4 180	478	11.4	2 957	70.7	5 554	0.4	732	13.2	
Payments for financial assets	–	–	–	27	–	–	0.0	–	–	
Total	1 318 439	617 810	46.9	1 197 041	90.8	1 475 670	100.0	699 381	47.4	

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R1.2 billion, or 90.8 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R699.4 million, or 47.4 per cent of the adjusted appropriation of R1.5 billion for the year. In comparison, mid-year expenditure in 2016/17 was R617.8 million, or 46.9 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R81.6 million, or 13.2 per cent. This is mainly due to disbursements to beneficiaries of the enterprise incubation programme.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 Sep 17 % of adjusted estimate
Departmental receipts	50	24	48.0	88	176.0	55	210	100.0	168	80.0
Sales of goods and services produced by department	50	24	48.0	88	176.0	55	69	32.9	27	39.1
Transactions in financial assets and liabilities	-	-	-	-	-	-	141	67.1	141	100.0
Total	50	24	48.0	88	176.0	55	210	100.0	168	80.0

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R168 000, or 80 per cent of the adjusted revenue estimate of R210 000 for the year. In comparison, mid-year revenue in 2016/17 was R24 000, or 48 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R144 000, or 600 per cent. This is mainly due to penalty payments received from service providers who were not able to deliver the required equipment in time for the black business supplier development programme.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Small, Medium and Micro Enterprises and Cooperatives								
Programme Design and Support								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	13 789	–	–	31 600	–	–	31 600	45 389
Small Enterprise Development Agency: Capacity building programme	13 789	–	–	16 600	–	–	16 600	30 389
Small Enterprise Development Agency: National Gazelles programme	–	–	–	15 000	–	–	15 000	15 000
Public corporations and private enterprises								
Other transfers to Private enterprises								
Current	149 071	25 874	–	(21 600)	–	–	4 274	153 345
Various institutions: National informal business upliftment scheme	99 406	–	–	(21 600)	–	–	(21 600)	77 806
Various institutions: Enterprise incubation programme	49 665	25 874	–	–	–	–	25 874	75 539

Vote 32

Telecommunications and Postal Services

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 614 206	5 174 377	(139 895)	3 700 066
of which:				
Current payments	795 542	655 647	(139 895)	–
Transfers and subsidies	806 713	806 713	–	–
Payments for capital assets	11 951	12 017	–	66
Payment for financial assets	–	3 700 000	–	3 700 000
Executive authority	Minister of Telecommunications and Postal Services			
Accounting officer	Director-General of Telecommunications and Postal Services			
Website address	www.dtps.gov.za			

Vote purpose

Develop information and communication technology (ICT) policies and legislation that create favourable conditions for accelerated and shared sustainable economic growth that positively impacts on the wellbeing of all South Africans.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of ICT position papers developed for international engagements per year	International Affairs and Trade	Outcome 6: An efficient, competitive and responsive economic infrastructure network	4	3	–
Number of identified government institutions connected as part of the national broadband plan: digital development (phase 1) per year	ICT Infrastructure Support		2 700	2	2 071
Number of identified schools connected as part of the national broadband plan: digital development (phase 1) per year ¹	ICT Infrastructure Support		887 ¹	– ¹	– ¹

1. Indicator removed from the department's 2017/18 annual performance plan. This indicator will be reported as part of the "Number of identified government institutions connected as part of the national broadband plan: digital development (phase 1) per year" indicator.

Changes to indicators and targets published in the 2017 ENE

The targets for the South Africa Connect broadband connectivity project are being reduced in line with declared unspent funds.

Mid-year progress

Changes to the implementation model for phase 1 of the South Africa Connect broadband project resulted in delays. To date in 2017/18, the department has connected 2 government institutions out of a targeted 2 700 for the year, and not connected any schools out of its target of 887. In the second half of the year, the department will use entities within its portfolio, Broadband Infraco and the State Information Technology Agency, to implement this project. The entities are finalising their agreement to ensure seamless broadband rollout, and the department is confident that its targets will be met.

The department has developed 3 ICT papers for international engagements. These are on South Africa's position: on the localisation of ICT skills and innovation for the Brazil-Russia-India-China-South Africa group of countries; on home and away roaming for the Southern African Development Community; and on developmental issues pertaining to the internet and digital economies for the World Telecommunications Development Conference.

The department is on track to meet its annual targets.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18						
	Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Administration	194 242	–	–	3 888	–	–	3 888
International Affairs and Trade	47 793	–	–	3 127	–	–	3 127
Policy, Research and Capacity Development	90 365	–	–	(4 842)	–	–	(4 842)
ICT Enterprise Development and Oversight	251 115	–	–	576	–	3 700 000	3 700 576
ICT Infrastructure Support	1 030 691	–	–	(2 749)	(139 829)	–	(142 578)
Total	1 614 206	–	–	–	(139 829)	3 700 000	3 560 171
Economic classification							
Current payments	795 542	–	–	(66)	(139 829)	–	(139 895)
Compensation of employees	214 706	–	–	6 500	–	–	6 500
Goods and services	580 836	–	–	(6 566)	(139 829)	–	(146 395)
Transfers and subsidies	806 713	–	–	–	–	–	–
Departmental agencies and accounts	295 181	–	–	–	–	–	–
Foreign governments and international organisations	25 532	–	–	–	–	–	–
Public corporations and private enterprises	486 000	–	–	–	–	–	–
Payments for capital assets	11 951	–	–	66	–	–	66
Machinery and equipment	10 596	–	–	(1 534)	–	–	(1 534)
Software and other intangible assets	1 355	–	–	1 600	–	–	1 600
Payments for financial assets	–	–	–	–	–	3 700 000	3 700 000
Total	1 614 206	–	–	–	(139 829)	3 700 000	3 560 171

Programme 1: Administration

Subprogramme	2017/18						
	Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Ministry	4 211	–	–	(200)	–	–	(200)
Departmental Management	37 325	–	–	1 534	–	–	1 534
Internal Audit	5 311	–	–	2 186	–	–	2 186
Corporate Services	66 806	–	–	7 820	–	–	7 820
Financial Management	70 491	–	–	(952)	–	–	(952)
Office Accommodation	10 098	–	–	(6 500)	–	–	(6 500)
Total	194 242	–	–	3 888	–	–	3 888
Economic classification							
Current payments	186 668	–	–	3 888	–	–	3 888
Compensation of employees	93 416	–	–	10 388	–	–	10 388
Goods and services	93 252	–	–	(6 500)	–	–	(6 500)
Payments for capital assets	7 574	–	–	–	–	–	–
Machinery and equipment	7 169	–	–	(1 600)	–	–	(1 600)
Software and other intangible assets	405	–	–	1 600	–	–	1 600
Total	194 242	–	–	3 888	–	–	3 888

Programme 2: International Affairs and Trade

Subprogramme	2017/18						
	Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
International Affairs	14 484	–	–	(766)	–	–	(766)
ICT Trade/Partnership	33 309	–	–	3 893	–	–	3 893
Total	47 793	–	–	3 127	–	–	3 127
Economic classification							
Current payments	21 891	–	–	3 127	–	–	3 127
Compensation of employees	14 523	–	–	1 627	–	–	1 627
Goods and services	7 368	–	–	1 500	–	–	1 500
Transfers and subsidies	25 532	–	–	–	–	–	–
Foreign governments and international organisations	25 532	–	–	–	–	–	–
Payments for capital assets	370	–	–	–	–	–	–
Machinery and equipment	370	–	–	–	–	–	–
Total	47 793	–	–	3 127	–	–	3 127

Programme 3: Policy, Research and Capacity Development

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
ICT Policy Development	15 273	–	–	(2 915)	–	–	(2 915)	12 358
Economic and Market Analysis	5 353	–	–	(689)	–	–	(689)	4 664
Research	8 354	–	–	(473)	–	–	(473)	7 881
Information Society Development	53 356	–	–	(1 577)	–	–	(1 577)	51 779
Capacity Development	8 029	–	–	812	–	–	812	8 841
Total	90 365	–	–	(4 842)	–	–	(4 842)	85 523
Economic classification								
Current payments	89 784	–	–	(4 908)	–	–	(4 908)	84 876
Compensation of employees	56 247	–	–	(3 342)	–	–	(3 342)	52 905
Goods and services	33 537	–	–	(1 566)	–	–	(1 566)	31 971
Payments for capital assets	581	–	–	66	–	–	66	647
Machinery and equipment	581	–	–	66	–	–	66	647
Total	90 365	–	–	(4 842)	–	–	(4 842)	85 523

Programme 4: ICT Enterprise Development and Oversight

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Public Entity Oversight	238 592	–	–	710	–	3 700 000	3 700 710	3 939 302
Small, Medium and Micro Enterprise Development	4 789	–	–	11	–	–	11	4 800
ICT Support	7 734	–	–	(145)	–	–	(145)	7 589
Total	251 115	–	–	576	–	3 700 000	3 700 576	3 951 691
Economic classification								
Current payments	33 766	–	–	576	–	–	576	34 342
Compensation of employees	27 160	–	–	576	–	–	576	27 736
Goods and services	6 606	–	–	–	–	–	–	6 606
Transfers and subsidies	216 083	–	–	–	–	–	–	216 083
Departmental agencies and accounts	216 083	–	–	–	–	–	–	216 083
Payments for capital assets	1 266	–	–	–	–	–	–	1 266
Machinery and equipment	1 266	–	–	–	–	–	–	1 266
Payments for financial assets	–	–	–	–	–	3 700 000	3 700 000	3 700 000
Total	251 115	–	–	576	–	3 700 000	3 700 576	3 951 691

Programme 5: ICT Infrastructure Support

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Broadband	465 593	–	–	(2 749)	(139 829)	–	(142 578)	323 015
Digital Terrestrial Television	565 098	–	–	–	–	–	–	565 098
Total	1 030 691	–	–	(2 749)	(139 829)	–	(142 578)	888 113
Economic classification								
Current payments	463 433	–	–	(2 749)	(139 829)	–	(142 578)	320 855
Compensation of employees	23 360	–	–	(2 749)	–	–	(2 749)	20 611
Goods and services	440 073	–	–	–	(139 829)	–	(139 829)	300 244
Transfers and subsidies	565 098	–	–	–	–	–	–	565 098
Departmental agencies and accounts	79 098	–	–	–	–	–	–	79 098
Public corporations and private enterprises	486 000	–	–	–	–	–	–	486 000
Payments for capital assets	2 160	–	–	–	–	–	–	2 160
Machinery and equipment	1 210	–	–	–	–	–	–	1 210
Software and other intangible assets	950	–	–	–	–	–	–	950
Total	1 030 691	–	–	(2 749)	(139 829)	–	(142 578)	888 113

Details of adjustments to Estimates of National Expenditure 2017

Virements and shifts within votes

Programmes

1. Administration
2. International Affairs and Trade
3. Policy, Research and Capacity Development
4. ICT Enterprise Development and Oversight
5. ICT Infrastructure Support

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(8 100)	Programme 1		4 916
Machinery and equipment	Reclassification of funds incorrectly allocated in the 2017 ENE	(1 600)	Software and other intangible assets	Software upgrades	1 600
Goods and services	Operating leases	(3 316)	Compensation of employees	Personnel remuneration ¹	3 316
	Operating leases	(1 551)	Programme 3		1 551
	Operating leases	(813)	Compensation of employees	Personnel remuneration ¹	1 551
	Operating leases	(347)	Programme 4		813
	Operating leases	(473)	Compensation of employees	Personnel remuneration ¹	813
			Programme 5		347
			Compensation of employees	Personnel remuneration ¹	347
			Programme 2		473
			Compensation of employees	Personnel remuneration ¹	473
Shifts within the programme as a percentage of the programme budget		2.5%			
Virements to other programmes as a percentage of the programme budget		1.6%			
Programme 3		(6 459)	Programme 3		66
Goods and services	Travel and subsistence	(66)	Machinery and equipment	Computers	66
	Business and advisory services	(1 500)	Programme 2		1 500
			Goods and services	Participation in the International Telecommunications Union event in South Korea	1 500
Compensation of employees	Vacant posts	(4 893)	Programme 1		4 893
			Compensation of employees	Secretarial allowances, cost of living adjustments and medical subsidies	4 893
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		7.1%			
Programme 4		(237)	Programme 1		237
Compensation of employees	Reallocation of funds incorrectly allocated in the 2017 ENE	(237)	Compensation of employees	Secretarial allowances, cost of living adjustments and medical subsidies	237
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Programme 5		(3 096)	Programme 1		1 942
Compensation of employees	Vacant posts and reallocation of funds incorrectly allocated in the 2017 ENE	(1 942)	Compensation of employees	Secretarial allowances, cost of living adjustments and medical subsidies	1 942
	Reallocation of funds incorrectly allocated in the 2017 ENE	(1 154)	Programme 2		1 154
			Compensation of employees	Personnel remuneration	1 154
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.3%			
Total		(17 892)			17 892

1. National Treasury approval has been obtained.

Declared unspent funds – R139.829 million

Programme 5: ICT Infrastructure Support

R139.829 million in unspent funds has been declared on the South Africa Connect broadband project due to delays resulting from changes to the implementation model.

Other adjustments – R3.7 billion

Appropriation of expenditure earmarked in the 2017 Budget speech for future allocation

Programme 4: ICT Enterprise Development and Oversight

An additional R3.7 billion has been allocated for the recapitalisation of the South African Post Office.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	207 904	109 699	52.8	211 582	101.8	198 130	3.8	107 808	54.4
International Affairs and Trade	45 651	35 279	77.3	46 944	102.8	50 920	1.0	38 026	74.7
Policy, Research and Capacity Development	88 781	40 681	45.8	78 494	88.4	85 523	1.7	32 782	38.3
ICT Enterprise Development and Oversight	886 608	765 450	86.3	882 353	99.5	3 951 691	76.4	134 932	3.4
ICT Infrastructure Support	1 188 468	428 253	36.0	856 319	72.1	888 113	17.2	419 064	47.2
Total	2 417 412	1 379 362	57.1	2 075 692	85.9	5 174 377	100.0	732 612	14.2
Economic classification									
Current payments	698 646	181 552	26.0	358 853	51.4	655 647	12.7	173 086	26.4
Compensation of employees	213 713	99 638	46.6	205 248	96.0	221 206	4.3	106 480	48.1
Goods and services	484 933	81 914	16.9	153 605	31.7	434 441	8.4	66 606	15.3
Transfers and subsidies	1 054 148	541 059	51.3	1 057 493	100.3	806 713	15.6	551 395	68.4
Provinces and municipalities	–	18	–	17	–	–	0.0	12	–
Departmental agencies and accounts	790 785	394 576	49.9	790 789	100.0	295 181	5.7	158 557	53.7
Foreign governments and international organisations	23 363	26 136	111.9	26 136	111.9	25 532	0.5	25 964	101.7
Public corporations and private enterprises	240 000	120 038	50.0	240 050	100.0	486 000	9.4	366 000	75.3
Non-profit institutions	–	–	–	25	–	–	0.0	–	–
Households	–	291	–	476	–	–	0.0	862	–
Payments for capital assets	14 618	6 720	46.0	9 299	63.6	12 017	0.2	8 109	67.5
Machinery and equipment	7 718	2 808	36.4	5 098	66.1	9 062	0.2	2 191	24.2
Software and other intangible assets	6 900	3 912	56.7	4 201	60.9	2 955	0.1	5 918	200.3
Payments for financial assets	650 000	650 031	100.0	650 047	100.0	3 700 000	71.5	22	0.0
Total	2 417 412	1 379 362	57.1	2 075 692	85.9	5 174 377	100.0	732 612	14.2

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R2.1 billion, or 85.9 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R732.6 million, or 14.2 per cent of the adjusted appropriation of R5.2 billion for the year. In comparison, mid-year expenditure in 2016/17 was R1.4 billion, or 57.1 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R646.8 million, or 46.9 per cent. This is mainly due to a payment made in the previous period for the recapitalisation of the South African Post Office.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
R thousand										
Departmental receipts	559 537	559 413	100.0	831 411	148.6	508 090	654 413	100.0	653 467	99.9
Sales of goods and services produced by department	37	24	64.9	51	137.8	47	366	0.1	26	7.1
Transfers received	–	–	–	–	–	–	244	0.0	–	0.0
Interest, dividends and rent on land	559 240	559 236	100.0	831 077	148.6	507 384	653 263	99.8	653 263	100.0
Sales of capital assets	100	–	0.0	–	0.0	–	300	0.0	54	18.0
Transactions in financial assets and liabilities	160	153	95.6	283	176.9	659	240	0.0	124	51.7
Total	559 537	559 413	100.0	831 411	148.6	508 090	654 413	100.0	653 467	99.9

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R653.5 million, or 99.9 per cent of the adjusted revenue estimate of R654.4 million for the year. In comparison, mid-year revenue in 2016/17 was R559.4 million, or 100 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R94.1 million, or 16.8 per cent. This is due to an increase in dividends received from Telkom, and a payment returned to the National Revenue Fund by the Universal Service and Access Fund from interest earned on funding that was allocated for the broadcasting digital migration project.

Vote 33

Tourism

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	2 140 156	2 140 156	(13 000)	13 000
of which:				
Current payments	635 930	648 930	–	13 000
Transfers and subsidies	1 392 033	1 379 033	(13 000)	–
Payments for capital assets	112 193	112 193	–	–
Executive authority	Minister of Tourism			
Accounting officer	Director-General of Tourism			
Website address	www.tourism.gov.za			

Vote purpose

Promote and support the growth and development of an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of platforms facilitated to improve tourism sector stakeholder engagement and national tourism sector strategy implementation per year	Tourism Policy and Planning	Outcome 11: Create a better South Africa, a better Africa and a better world	1	1	–
Number of Working for Tourism projects funded through the expanded public works programme per year	Destination Development	Outcome 4: Decent employment through inclusive economic growth	6	3	–
Number of full-time-equivalent jobs created through the Working for Tourism programme per year	Destination Development		3 085	835 ¹	–
Number of programmes implemented to grow tourism's contribution to the ocean economy per year	Destination Development		1	1	–
Number of businesses supported in the implementation of the enterprise development programme per year ²	Enterprise and Visitor Support Services	Outcome 7: Comprehensive rural development and land reform	400	– ³	–
Number of capacity building programmes implemented per year	Enterprise and Visitor Support Services	Outcome 4: Decent employment through inclusive economic growth	4	2	–
Number of incentivised programmes implemented per year	Enterprise and Visitor Support Services		4	2	–

1. Only data for the first quarter of 2017/18 is currently available.

2. Indicator changed to align with indicator published in the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

3. Data available only at the end of 2017/18.

Mid-year progress

In the first quarter of 2017/18, the department created 835 full-time-equivalent jobs through the Working for Tourism programme out of the annual target of 3 085. Analysis of the second quarter will be completed by the end of October.

Needs assessments were conducted in the first six months of 2017/18 in respect of the targeted support to be provided to 400 businesses in the implementation of the enterprise development programme. The remaining phases of support will take place during the second half of the financial year.

The department expects to meet all its targets by the end of the financial year.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
	Adjustments appropriation							Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Administration	219 094	–	–	14 987	–	–	14 987	234 081
Tourism Policy and Planning	1 208 708	–	–	(5 600)	–	–	(5 600)	1 203 108
Destination Development	443 953	–	–	(12 100)	–	–	(12 100)	431 853
Enterprise and Visitor Support Services	268 401	–	–	2 713	–	–	2 713	271 114
Total	2 140 156	–	–	–	–	–	–	2 140 156
Economic classification								
Current payments	635 930	–	–	13 000	–	–	13 000	648 930
Compensation of employees	271 853	–	–	13 000	–	–	13 000	284 853
Goods and services	364 077	–	–	–	–	–	–	364 077
Transfers and subsidies	1 392 033	–	–	(13 000)	–	–	(13 000)	1 379 033
Departmental agencies and accounts	1 139 097	–	–	–	–	–	–	1 139 097
Foreign governments and international organisations	6 638	–	–	–	–	–	–	6 638
Public corporations and private enterprises	88 279	–	–	–	–	–	–	88 279
Non-profit institutions	500	–	–	–	–	–	–	500
Households	157 519	–	–	(13 000)	–	–	(13 000)	144 519
Payments for capital assets	112 193	–	–	–	–	–	–	112 193
Buildings and other fixed structures	107 493	–	–	–	–	–	–	107 493
Machinery and equipment	4 700	–	–	–	–	–	–	4 700
Total	2 140 156	–	–	–	–	–	–	2 140 156

Programme 1: Administration

Subprogramme	2017/18							
	Adjustments appropriation							Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Ministry	30 559	–	–	(5 400)	–	–	(5 400)	25 159
Management	2 881	–	–	250	–	–	250	3 131
Corporate Services	126 677	–	–	19 437	–	–	19 437	146 114
Financial Management	29 383	–	–	700	–	–	700	30 083
Office Accommodation	29 594	–	–	–	–	–	–	29 594
Total	219 094	–	–	14 987	–	–	14 987	234 081
Economic classification								
Current payments	217 097	–	–	14 987	–	–	14 987	232 084
Compensation of employees	120 387	–	–	11 100	–	–	11 100	131 487
Goods and services	96 710	–	–	3 887	–	–	3 887	100 597
Transfers and subsidies	197	–	–	–	–	–	–	197
Departmental agencies and accounts	197	–	–	–	–	–	–	197
Payments for capital assets	1 800	–	–	–	–	–	–	1 800
Machinery and equipment	1 800	–	–	–	–	–	–	1 800
Total	219 094	–	–	14 987	–	–	14 987	234 081

Programme 2: Tourism Policy and Planning

Subprogramme	2017/18							
	Adjustments appropriation							Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Tourism Policy and Planning	6 978	–	–	400	–	–	400	7 378
Management	–	–	–	–	–	–	–	–
Research and Knowledge Management	28 705	–	–	(2 700)	–	–	(2 700)	26 005
Tourism Sector Policy and Strategy	11 222	–	–	100	–	–	100	11 322
South African Tourism	1 134 288	–	–	–	–	–	–	1 134 288
International Relations and Co-operation	27 515	–	–	(3 400)	–	–	(3 400)	24 115
Total	1 208 708	–	–	(5 600)	–	–	(5 600)	1 203 108
Economic classification								
Current payments	62 770	–	–	(5 600)	–	–	(5 600)	57 170
Compensation of employees	44 135	–	–	(5 600)	–	–	(5 600)	38 535
Goods and services	18 635	–	–	–	–	–	–	18 635
Transfers and subsidies	1 145 138	–	–	–	–	–	–	1 145 138
Departmental agencies and accounts	1 134 288	–	–	–	–	–	–	1 134 288
Foreign governments and international organisations	6 638	–	–	–	–	–	–	6 638
Households	4 212	–	–	–	–	–	–	4 212

Programme 2: Tourism Policy and Planning (continued)

Economic classification		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Payments for capital assets	800	–	–	–	–	–	–	800
Machinery and equipment	800	–	–	–	–	–	–	800
Total	1 208 708	–	–	(5 600)	–	–	(5 600)	1 203 108

Programme 3: Destination Development

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Destination Development Management	47 228	–	–	(800)	–	–	(800)	46 428
Product and Infrastructure Development	21 082	–	–	(2 400)	–	–	(2 400)	18 682
Destination Planning and Investment Promotion	36 330	–	–	900	–	–	900	37 230
Working for Tourism	339 313	–	–	(9 800)	–	–	(9 800)	329 513
Total	443 953	–	–	(12 100)	–	–	(12 100)	431 853
Economic classification								
Current payments	181 503	–	–	900	–	–	900	182 403
Compensation of employees	46 227	–	–	900	–	–	900	47 127
Goods and services	135 276	–	–	–	–	–	–	135 276
Transfers and subsidies	153 907	–	–	(13 000)	–	–	(13 000)	140 907
Public corporations and private enterprises	600	–	–	–	–	–	–	600
Households	153 307	–	–	(13 000)	–	–	(13 000)	140 307
Payments for capital assets	108 543	–	–	–	–	–	–	108 543
Buildings and other fixed structures	107 493	–	–	–	–	–	–	107 493
Machinery and equipment	1 050	–	–	–	–	–	–	1 050
Total	443 953	–	–	(12 100)	–	–	(12 100)	431 853

Programme 4: Enterprise and Visitor Support Services

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Tourism People Development Management	9 728	–	–	(1 300)	–	–	(1 300)	8 428
Tourism Human Resource Development	25 691	–	–	1 800	–	–	1 800	27 491
Enterprise Development and Transformation	41 472	–	–	2 900	–	–	2 900	44 372
Visitor Services	19 621	–	–	3 200	–	–	3 200	22 821
Tourism Incentive Programme	171 889	–	–	(3 887)	–	–	(3 887)	168 002
Total	268 401	–	–	2 713	–	–	2 713	271 114
Economic classification								
Current payments	174 560	–	–	2 713	–	–	2 713	177 273
Compensation of employees	61 104	–	–	6 600	–	–	6 600	67 704
Goods and services	113 456	–	–	(3 887)	–	–	(3 887)	109 569
Transfers and subsidies	92 791	–	–	–	–	–	–	92 791
Departmental agencies and accounts	4 612	–	–	–	–	–	–	4 612
Public corporations and private enterprises	87 679	–	–	–	–	–	–	87 679
Non-profit institutions	500	–	–	–	–	–	–	500
Payments for capital assets	1 050	–	–	–	–	–	–	1 050
Machinery and equipment	1 050	–	–	–	–	–	–	1 050
Total	268 401	–	–	2 713	–	–	2 713	271 114

Details of adjustments to Estimates of National Expenditure 2017

Virements and shifts within votes

Programmes

1. Administration

2. Tourism Policy and Planning

3. Destination Development

4. Enterprise and Visitor Support Services

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(1 900)	Programme 4		1 900
Compensation of employees	Reclassification of funds in line with approved organisational structure	(1 900)	Compensation of employees	Reclassification of funds in line with approved organisational structure	1 900
Shifts within the programme as a percentage of the programme budget		1.6%			
Virements to other programmes as a percentage of the programme budget		0.9%			
Programme 2		(5 600)	Programme 4		5 600
Compensation of employees	Reclassification of funds in line with approved organisational structure	(5 600)	Compensation of employees	Reclassification of funds in line with approved organisational structure	5 600
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.5%			
Programme 3		(13 400)	Programme 4		400
Compensation of employees	Reclassification of funds in line with approved organisational structure	(400)	Compensation of employees	Reclassification of funds in line with approved organisational structure	400
Households	Expanded public works programme projects ¹	(13 000)	Programme 1		13 000
			Compensation of employees	Employee remuneration ¹	13 000
Shifts within the programme as a percentage of the programme budget		0.6%			
Virements to other programmes as a percentage of the programme budget		3.0%			
Programme 4		(5 187)	Programme 3		1 300
Compensation of employees	Reclassification of funds in line with approved organisational structure	(1 300)	Compensation of employees	Reclassification of funds in line with approved organisational structure	1 300
Goods and services	Reclassification of funds incorrectly classified in the 2017 ENE	(3 887)	Programme 1		3 887
			Goods and services	Reclassification of funds incorrectly classified in the 2017 ENE	3 887
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.9%			
Total		(26 087)			26 087

1. National Treasury approval has been obtained.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	237 456	100 090	42.2	227 079	95.6	234 081	10.9	107 122	45.8
Tourism Policy and Planning	1 108 416	794 201	71.7	1 102 815	99.5	1 203 108	56.2	857 748	71.3
Destination Development	603 555	91 409	15.1	532 892	88.3	431 853	20.2	106 412	24.6
Enterprise and Visitor Support Services	60 089	21 350	35.5	56 860	94.6	271 114	12.7	110 800	40.9
Total	2 009 516	1 007 050	50.1	1 919 646	95.5	2 140 156	100.0	1 182 082	55.2
Economic classification									
Current payments	615 647	194 617	31.6	584 672	95.0	648 930	30.3	214 078	33.0
Compensation of employees	269 541	130 799	48.5	266 118	98.7	284 853	13.3	142 840	50.1
Goods and services	346 106	63 818	18.4	318 554	92.0	364 077	17.0	71 238	19.6

R thousand	2016/17					2017/18				
	Audited outcome					Actual expenditure				
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation	
Transfers and subsidies	1 167 309	785 836	67.3	1 169 672	100.2	1 379 033	64.4	896 239	65.0	
Departmental agencies and accounts	1 029 424	760 811	73.9	1 040 012	101.0	1 139 097	53.2	866 160	76.0	
Higher education institutions	4 011	–	–	4 011	100.0	–	–	–	–	
Foreign governments and international organisations	6 322	6 369	100.7	6 368	100.7	6 638	0.3	6 324	95.3	
Public corporations and private enterprises	79 170	9 470	12.0	75 312	95.1	88 279	4.1	3 293	3.7	
Non-profit institutions	16 027	200	1.2	200	1.2	500	0.0	500	100.0	
Households	32 355	8 986	27.8	43 769	135.3	144 519	6.8	19 962	13.8	
Payments for capital assets	226 560	26 508	11.7	164 530	72.6	112 193	5.2	71 716	63.9	
Buildings and other fixed structures	218 841	23 347	10.7	158 988	72.7	107 493	5.0	68 302	63.5	
Machinery and equipment	7 308	3 001	41.1	5 350	73.2	4 700	0.2	3 414	72.6	
Software and other intangible assets	411	160	38.9	192	46.7	–	–	–	–	
Payments for financial assets	–	89	–	772	–	–	–	49	–	
Total	2 009 516	1 007 050	50.1	1 919 646	95.5	2 140 156	100.0	1 182 082	55.2	

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R1.9 billion, or 95.5 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R1.2 billion, or 55.2 per cent of the adjusted appropriation of R2.1 billion for the year. In comparison, mid-year expenditure in 2016/17 was R1 billion, or 50.1 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R175 million, or 17.4 per cent. This is mainly due to an increase in transfer payments to South African Tourism, cost of living adjustments for personnel, and inflationary adjustments for goods and services.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	5 274	4 667	88.5	5 321	100.9	1 833	1 756	100.0	843	48.0
Sales of goods and services produced by department	164	78	47.6	157	95.7	162	162	9.2	80	49.4
Sales of scrap, waste, arms and other used current goods	10	6	60.0	6	60.0	–	–	–	–	–
Interest, dividends and rent on land	60	52	86.7	146	243.3	15	120	6.8	24	20.0
Sales of capital assets	40	22	55.0	39	97.5	25	40	2.3	22	55.0
Transactions in financial assets and liabilities	5 000	4 509	90.2	4 973	99.5	1 631	1 434	81.7	717	50.0
Total	5 274	4 667	88.5	5 321	100.9	1 833	1 756	100.0	843	48.0

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R843 000, or 48 per cent of the adjusted revenue estimate of R1.8 million for the year. In comparison, mid-year revenue in 2016/17 was R4.7 million, or 88.5 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R3.8 million, or 81.9 per cent. This is mainly due to a decrease in unspent funds returned from the Working for Tourism project.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Destination Development								
Households								
Other transfers to households								
Current	104 165	–	–	(13 000)	–	–	(13 000)	91 165
Expanded public works programme	104 165	–	–	(13 000)	–	–	(13 000)	91 165

Vote 34

Trade and industry

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	9 274 795	9 343 187	(83 555)	151 947
of which:				
Current payments	1 511 695	1 663 642	–	151 947
Transfers and subsidies	7 735 096	7 656 088	(79 008)	–
Payments for capital assets	28 004	23 457	(4 547)	–
Executive authority	Minister of Trade and Industry			
Accounting officer	Director-General of Trade and Industry			
Website address	www.thedti.gov.za			

Vote purpose

Lead and facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of quarterly reports on industrial policy action plan tabled at minister's review meetings	Industrial Developments	Outcome 4: Decent employment through inclusive growth	4	2	–
Number of designation requests submitted for minister's approval per year	Industrial Developments		2	3	–
Value of projected investment to be leveraged from approved projects per year	Incentive Development and Administration		R15bn	R13.2bn	–
Number of new jobs supported from approved enterprises per year	Incentive Development and Administration		3 000	6 421	–
Number of jobs retained from approved enterprises per year	Incentive Development and Administration		20 000	10 276	–
Number of strategic infrastructure projects approved for special economic zones/ industrial parks per year	Incentive Development and Administration		10	– ¹	–
Value of projected export revenue from approved projects per year	Incentive Development and Administration		R1.5bn	– ¹	–

¹. Indicator no longer measured as it was not included in the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

Mid-year progress

The department's target for the number of designation requests submitted for ministerial approval has already been exceeded as certain designations were rolled over from 2016/17 and finalised in the first six months of 2017/18.

In the first six months of 2017/18, the department leveraged R13.2 billion from private sector investment, exceeding the mid-year target of R6 billion. This is due to the high number of investment approvals granted for projects supported by manufacturing incentive programmes such as the automotive incentive scheme, the black industrialists programme, the critical infrastructure programme and the business processing incentive.

The department has already exceeded its annual target by 3 421 for new jobs supported from approved enterprises. This is mainly due to investments that were attracted through the automotive incentive scheme, the business processing incentive and the critical infrastructure programme, and finalised sooner than anticipated.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
		Adjustments appropriation					Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand								
Administration	731 820	–	–	14 359	–	68 392	82 751	814 571
International Trade and Economic Development	119 818	–	–	–	–	–	–	119 818
Special Economic Zones and Economic Transformation	119 410	–	–	(1 000)	–	–	(1 000)	118 410
Industrial Development	1 819 277	–	–	–	–	–	–	1 819 277
Consumer and Corporate Regulation	298 629	–	–	–	–	–	–	298 629
Incentive Development and Administration	5 746 519	–	–	(72 100)	–	–	(72 100)	5 674 419
Trade and Investment South Africa	388 463	–	–	36 741	–	–	36 741	425 204
Investment South Africa	50 859	–	–	22 000	–	–	22 000	72 859
Total	9 274 795	–	–	–	–	68 392	68 392	9 343 187
Economic classification								
Current payments	1 511 695	–	–	83 555	–	68 392	151 947	1 663 642
Compensation of employees	902 415	–	–	45 304	–	–	45 304	947 719
Goods and services	609 280	–	–	38 251	–	68 392	106 643	715 923
Transfers and subsidies	7 735 096	–	–	(79 008)	–	–	(79 008)	7 656 088
Departmental agencies and accounts	747 576	–	–	(20 000)	–	–	(20 000)	727 576
Foreign governments and international organisations	36 321	–	–	(3 065)	–	–	(3 065)	33 256
Public corporations and private enterprises	6 789 046	–	–	(65 000)	–	–	(65 000)	6 724 046
Non-profit institutions	160 814	–	–	9 000	–	–	9 000	169 814
Households	1 339	–	–	57	–	–	57	1 396
Payments for capital assets	28 004	–	–	(4 547)	–	–	(4 547)	23 457
Machinery and equipment	19 916	–	–	953	–	–	953	20 869
Software and other intangible assets	8 088	–	–	(5 500)	–	–	(5 500)	2 588
Total	9 274 795	–	–	–	–	68 392	68 392	9 343 187

Programme 1: Administration

Programme 4 - Accommodation								
Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Ministry	31 591	–	–	962	–	–	962	32 553
Office of the Director General	119 781	–	–	–	–	–	–	119 781
Corporate Services	415 058	–	–	21 971	–	68 392	90 363	505 421
Office Accommodation	2 494	–	–	–	–	–	–	2 494
Financial Management	69 508	–	–	–	–	–	–	69 508
Media and Public Relations	19 098	–	–	(8 669)	–	–	(8 669)	10 429
Marketing Communication and Stakeholder Relations	74 290	–	–	95	–	–	95	74 385
Total	731 820	–	–	14 359	–	68 392	82 751	814 571
Economic classification								
Current payments	715 906	–	–	12 521	–	68 392	80 913	796 819
Compensation of employees	278 580	–	–	11 012	–	–	11 012	289 592
Goods and services	437 326	–	–	1 509	–	68 392	69 901	507 227
Transfers and subsidies	539	–	–	(443)	–	–	(443)	96
Households	539	–	–	(443)	–	–	(443)	96
Payments for capital assets	15 375	–	–	2 281	–	–	2 281	17 656
Machinery and equipment	12 787	–	–	2 281	–	–	2 281	15 068
Software and other intangible assets	2 588	–	–	–	–	–	–	2 588
Total	731 820	–	–	14 359	–	68 392	82 751	814 571

Programme 2: International Trade and Economic Development

Subprogramme	Main appropriation	2017/18 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
International Trade Development	102 224	–	–	–	–	–	–	102 224
African Multilateral Economic Development	17 594	–	–	–	–	–	–	17 594
Total	119 818	–	–	–	–	–	–	119 818
Economic classification								
Current payments	93 963	–	–	(14)	–	–	(14)	93 949
Compensation of employees	75 254	–	–	1 609	–	–	1 609	76 863
Goods and services	18 709	–	–	(1 623)	–	–	(1 623)	17 086
Transfers and subsidies	25 233	–	–	14	–	–	14	25 247
Departmental agencies and accounts	1 188	–	–	–	–	–	–	1 188
Foreign governments and international organisations	19 672	–	–	–	–	–	–	19 672
Public corporations and private enterprises	4 373	–	–	–	–	–	–	4 373
Households	–	–	–	14	–	–	14	14
Payments for capital assets	622	–	–	–	–	–	–	622
Machinery and equipment	622	–	–	–	–	–	–	622
Total	119 818	–	–	–	–	–	–	119 818

Programme 3: Special Economic Zones and Economic Transformation

Subprogramme	Main appropriation	2017/18 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Enterprise Competitiveness	32 198	–	–	(1 000)	–	–	(1 000)	31 198
Equity and Empowerment	39 172	–	–	3 425	–	–	3 425	42 597
Spatial Industrial Economic Development (Special Economic Zones)	48 040	–	–	(3 425)	–	–	(3 425)	44 615
Total	119 410	–	–	(1 000)	–	–	(1 000)	118 410
Economic classification								
Current payments	86 125	–	–	18 895	–	–	18 895	105 020
Compensation of employees	71 025	–	–	–	–	–	–	71 025
Goods and services	15 100	–	–	18 895	–	–	18 895	33 995
Transfers and subsidies	32 187	–	–	(19 895)	–	–	(19 895)	12 292
Departmental agencies and accounts	28 949	–	–	(20 000)	–	–	(20 000)	8 949
Public corporations and private enterprises	1 738	–	–	–	–	–	–	1 738
Non-profit institutions	1 500	–	–	–	–	–	–	1 500
Households	–	–	–	105	–	–	105	105
Payments for capital assets	1 098	–	–	–	–	–	–	1 098
Machinery and equipment	1 098	–	–	–	–	–	–	1 098
Total	119 410	–	–	(1 000)	–	–	(1 000)	118 410

Programme 4: Industrial Development

Subprogramme	Main appropriation	2017/18 Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Industrial Competitiveness	799 959	–	–	3 658	–	–	3 658	803 617
Customised Sector Programmes	1 019 318	–	–	(3 658)	–	–	(3 658)	1 015 660
Total	1 819 277	–	–	–	–	–	–	1 819 277
Economic classification								
Current payments	122 135	–	–	(1 854)	–	–	(1 854)	120 281
Compensation of employees	106 509	–	–	–	–	–	–	106 509
Goods and services	15 626	–	–	(1 854)	–	–	(1 854)	13 772
Transfers and subsidies	1 696 323	–	–	1 854	–	–	1 854	1 698 177
Departmental agencies and accounts	411 861	–	–	–	–	–	–	411 861
Foreign governments and international organisations	8 565	–	–	(154)	–	–	(154)	8 411
Public corporations and private enterprises	1 116 583	–	–	(7 000)	–	–	(7 000)	1 109 583
Non-profit institutions	159 314	–	–	9 000	–	–	9 000	168 314
Households	–	–	–	8	–	–	8	8
Payments for capital assets	819	–	–	–	–	–	–	819
Machinery and equipment	819	–	–	–	–	–	–	819
Total	1 819 277	–	–	–	–	–	–	1 819 277

Programme 5: Consumer and Corporate Regulation

Programme of Consumer and Corporate Regulation								
Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Policy and Legislative Development	17 446	–	–	2 646	–	–	2 646	20 092
Enforcement and Compliance	40 292	–	–	(3 471)	–	–	(3 471)	36 821
Regulatory Services	240 891	–	–	825	–	–	825	241 716
Total	298 629	–	–	–	–	–	–	298 629
Economic classification								
Current payments	71 878	–	–	(321)	–	–	(321)	71 557
Compensation of employees	53 774	–	–	3 784	–	–	3 784	57 558
Goods and services	18 104	–	–	(4 105)	–	–	(4 105)	13 999
Transfers and subsidies	226 751	–	–	29	–	–	29	226 780
Departmental agencies and accounts	221 578	–	–	–	–	–	–	221 578
Foreign governments and international organisations	5 173	–	–	–	–	–	–	5 173
Households	–	–	–	29	–	–	29	29
Payments for capital assets	–	–	–	292	–	–	292	292
Machinery and equipment	–	–	–	292	–	–	292	292
Total	298 629	–	–	–	–	–	–	298 629

Programme 6: Incentive Development and Administration

Programme of Incentive Development and Administration					2017/18			
Subprogramme		Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Broadening Participation Incentives	68 333	—	—	726	—	—	726	69 059
Manufacturing Incentives	3 963 173	—	—	(422 631)	—	—	(422 631)	3 540 542
Services Investment Incentives	708 560	—	—	100 000	—	—	100 000	808 560
Infrastructure Investment Support	965 000	—	—	250 000	—	—	250 000	1 215 000
Product and Systems Development	19 387	—	—	—	—	—	—	19 387
Strategic Partnership and Customer Care	22 066	—	—	(195)	—	—	(195)	21 871
Total	5 746 519	—	—	(72 100)	—	—	(72 100)	5 674 419
Economic classification								
Current payments	165 411	—	—	15 500	—	—	15 500	180 911
Compensation of employees	126 578	—	—	22 565	—	—	22 565	149 143
Goods and services	38 833	—	—	(7 065)	—	—	(7 065)	31 768
Transfers and subsidies	5 573 508	—	—	(80 000)	—	—	(80 000)	5 493 508
Departmental agencies and accounts	84 000	—	—	—	—	—	—	84 000
Public corporations and private enterprises	5 488 708	—	—	(80 000)	—	—	(80 000)	5 408 708
Households	800	—	—	—	—	—	—	800
Payments for capital assets	7 600	—	—	(7 600)	—	—	(7 600)	—
Machinery and equipment	2 100	—	—	(2 100)	—	—	(2 100)	—
Software and other intangible assets	5 500	—	—	(5 500)	—	—	(5 500)	—
Total	5 746 519	—	—	(72 100)	—	—	(72 100)	5 674 419

Programme 7: Trade and Investment South Africa

Programme A Trade and Investment South Africa								
Subprogramme		2017/18						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
African Bilateral Economic Relations	22 453	–	–	–	–	–	–	22 453
Export Promotion and Marketing	41 487	–	–	–	–	–	–	41 487
Trade and Investment South Africa Executive Management Unit	306 816	–	–	36 741	–	–	36 741	343 557
Export Development and Support	17 707	–	–	–	–	–	–	17 707
Total	388 463	–	–	36 741	–	–	36 741	425 204

Programme 7: Trade and Investment South Africa (continued)

Economic classification		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Current payments	205 815	–	–	39 248	–	–	39 248	245 063
Compensation of employees	157 471	–	–	5 741	–	–	5 741	163 212
Goods and services	48 344	–	–	33 507	–	–	33 507	81 851
Transfers and subsidies	180 555	–	–	(2 717)	–	–	(2 717)	177 838
Foreign governments and international organisations	2 911	–	–	(2 911)	–	–	(2 911)	–
Public corporations and private enterprises	177 644	–	–	–	–	–	–	177 644
Households	–	–	–	194	–	–	194	194
Payments for capital assets	2 093	–	–	210	–	–	210	2 303
Machinery and equipment	2 093	–	–	210	–	–	210	2 303
Total	388 463	–	–	36 741	–	–	36 741	425 204

Programme 8: Investment South Africa

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Investment Promotion	42 558	–	–	–	–	–	–	42 558
Investment and Inter-Departmental Clearing House	4 150	–	–	22 000	–	–	22 000	26 150
Investment Support and After Care	4 151	–	–	–	–	–	–	4 151
Total	50 859	–	–	22 000	–	–	22 000	72 859
Economic classification								
Current payments	50 462	–	–	(420)	–	–	(420)	50 042
Compensation of employees	33 224	–	–	593	–	–	593	33 817
Goods and services	17 238	–	–	(1 013)	–	–	(1 013)	16 225
Transfers and subsidies	–	–	–	22 150	–	–	22 150	22 150
Public corporations and private enterprises	–	–	–	22 000	–	–	22 000	22 000
Households	–	–	–	150	–	–	150	150
Payments for capital assets	397	–	–	270	–	–	270	667
Machinery and equipment	397	–	–	270	–	–	270	667
Total	50 859	–	–	22 000	–	–	22 000	72 859

Virements and shifts within votes**Programmes**

1. Administration
2. International Trade and Economic Development
3. Special Economic Zones and Economic Transformation
4. Industrial Development
5. Consumer and Corporate Regulation
6. Incentive Development and Administration
7. Trade and Investment South Africa
8. Investment South Africa

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(17 471)	Programme 1		11 240
Goods and services	Cost containment measures effected on business and advisory services, and travel and subsistence	(181)	Machinery and equipment	Audiovisual equipment	181
	Cost containment measures effected on travel and subsistence	(47)	Households	Funeral costs, leave gratuities and hearing aids	47
	Printing and publication services	(95)	Compensation of employees	Personnel remuneration ¹	95
	Cost containment measures effected on business and advisory services, consumables, travel and subsistence, and venues and facilities	(10 917)	Compensation of employees	Personnel remuneration ¹	10 917

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Households	Cost containment measures effected on business and advisory services, venues and facilities; and printing and publication services	(5 741)	Programme 7		5 741
	Cost containment measures effected on bursaries for non-employees	(490)	Compensation of employees	Personnel remuneration ¹	5 741
Shifts within the programme as a percentage of the programme budget			Programme 1		490
Virements to other programmes as a percentage of the programme budget			Goods and services	Maintenance of turnkey disk-based backup system	490
Programme 2		(1 623)	Programme 2		1 623
Goods and services	Cost containment measures effected on travel and subsistence	(14)	Households	Leave gratuities	14
	Cost containment measures effected on legal services, and venues and facilities	(1 609)	Compensation of employees	Personnel remuneration ¹	1 609
Shifts within the programme as a percentage of the programme budget			1.4%		
Virements to other programmes as a percentage of the programme budget			0.0%		
Programme 3		(21 105)	Programme 3		105
Goods and services	Cost containment measures effected on business and advisory services	(105)	Households	Leave gratuities, and state-owned enterprise procurement forum for awards ceremony	105
	Cost containment measures effected on business and advisory services	(1 000)	Programme 7		1 000
	Transfer payment to Broad-Based Black Economic Empowerment Commission ¹	(20 000)	Goods and services	Vouchers for travel and subsistence as well as other allowances payable to officials abroad	1 000
Departmental agencies and accounts			Programme 3		20 000
			Goods and services	Broad-Based Black Economic Empowerment Commission ¹	20 000
Shifts within the programme as a percentage of the programme budget			20.0%		
Virements to other programmes as a percentage of the programme budget			0.8%		
Programme 4		(9 008)	Programme 4		9 008
Goods and services	Cost containment measures effected on venues and facilities	(8)	Households	Leave gratuities	8
	Cost containment measures effected on travel and subsistence, and venues and facilities	(1 846)	Non-profit institutions	Trade and industrial policy strategies for research on the textile, clothing and retail segments of the clothing, textile, leather and footwear value chain ¹	1 846
Public corporations and private enterprises	Transfer payment to the Council for Scientific and Industrial Research: National Foundry Technology Network ¹	(7 000)	Non-profit institutions	Trade and industrial policy strategies for research on the steel sector ¹	7 000
Foreign governments and international organisations	Transfer payment to treaty organisations for metrology ¹	(154)	Non-profit institutions	Trade and industrial policy strategies for research on the textile, clothing and retail segments of the clothing, textile, leather and footwear value chain ¹	154
Shifts within the programme as a percentage of the programme budget			0.5%		
Virements to other programmes as a percentage of the programme budget			0.0%		
Programme 5		(4 105)	Programme 5		4 105
Goods and services	Cost containment measures effected on business and advisory services, and travel and subsistence	(292)	Machinery and equipment	Computer equipment	292
	Cost containment measures effected on travel and subsistence	(29)	Households	Leave gratuities	29
	Cost containment measures effected on business and advisory services	(3 784)	Compensation of employees	Personnel remuneration ¹	3 784
Shifts within the programme as a percentage of the programme budget			2.5%		
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 6		(460 165)	Programme 6		22 565
Goods and services	Cost containment measures effected on business and advisory services, communications, fleet services, travel and subsistence, and venues and facilities	(22 565)	Compensation of employees	Personnel remuneration ¹	22 565
			Programme 1		2 100
Machinery and equipment	Computer equipment	(2 100)	Machinery and equipment	Server upgrades	2 100
			Programme 6		5 500
Software and other intangible assets	Computer software ¹	(5 500)	Goods and services	Consulting engineers and verification auditors	5 500
			Programme 1		18 000
Public corporations and private enterprises	Transfer payment to the supplier development programme ¹	(18 000)	Goods and services	ICT services and renewal of licences	18 000
			Programme 6		360 000
	Transfer payment to the supplier development programme ¹	(10 000)	Goods and services	Consulting engineers and verification auditors	10 000
	Transfer payments due to low uptake in the agro-processing programme, fewer claims than anticipated, and feasibility studies having been completed ¹	(350 000)	Public corporations and private enterprises	Infrastructure projects under the special economic zones, and the critical infrastructure programme ¹	350 000
			Programme 7		30 000
	National pavilions and trade missions: Export Marketing and Investment Assistance Scheme ¹	(30 000)	Goods and services	Vouchers for travel and subsistence as well as other allowances payable to officials abroad	30 000
			Programme 8		22 000
	Transfer payment to the supplier development programme ¹	(22 000)	Public corporations and private enterprises	Provincial one-stop shops ¹	22 000
Shifts within the programme as a percentage of the programme budget		9.0%			
Virements to other programmes as a percentage of the programme budget		1.3%			
Programme 7		(3 315)	Programme 7		3 315
Goods and services	Cost containment measures effected on catering	(210)	Machinery and equipment	Computer equipment	210
	Cost containment measures effected on catering, and venues and facilities	(194)	Households	Leave gratuities	194
Foreign governments and international organisations	Transfer payments to the International Bank for Reconstruction and Development (World Bank), and the International Finance Corporation ²	(2 911)	Goods and services	Vouchers for travel and subsistence as well as other allowances payable to officials abroad	2 911
Shifts within the programme as a percentage of the programme budget		0.9%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 8		(1 013)	Programme 8		1 013
Goods and services	Cost containment measures effected on business and advisory services	(270)	Machinery and equipment	Computer equipment	270
	Cost containment measures effected on business and advisory services, contractors and event promoters	(150)	Households	Leave gratuities, and the South African Oil and Gas Alliance	150
	Cost containment measures effected on communications, entertainment, and travel and subsistence	(191)	Compensation of employees	Personnel remuneration ¹	191
	Cost containment measures effected on catering, communications, entertainment, fleet services, and travel and subsistence	(402)	Compensation of employees	Personnel remuneration ¹	402
Shifts within the programme as a percentage of the programme budget		2.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(517 805)			517 805

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Other adjustments – R68.392 million

Self-financing expenditure – R68.392 million

Programme 1: Administration

Revenue of R68.392 million has been generated from the department's public entities, the Department of Economic Development and the Department of Small Business Development. This will be returned to the vote from the National Revenue Fund and will be used to supplement payments for the public-private partnership contract for the department's campus, where the entities have their offices.

Gifts, donations and sponsorships – R200 000

Programme 3: Special Economic Zones and Economic Transformation

The department made a donation of R100 000 to sponsor the public procurement awards ceremony held by the state-owned enterprise procurement forum in November 2017.

Programme 8: Investment South Africa

The department made a donation of R100 000 to sponsor the attendance of the South African Oil and Gas Alliance at the Offshore Technology Conference in Houston, Texas, in April and May 2017, to showcase South Africa as an oil and gas servicing hub.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	777 089	346 918	44.6	699 139	90.0	814 571	8.7	378 222	46.4
International Trade and Economic Development	118 719	49 358	41.6	116 024	97.7	119 818	1.3	50 398	42.1
Special Economic Zones and Economic Transformation	121 892	46 791	38.4	97 589	80.1	118 410	1.3	49 046	41.4
Industrial Development	1 727 027	1 065 621	61.7	1 722 245	99.7	1 819 277	19.5	1 341 767	73.8
Consumer and Corporate Regulation	294 336	193 694	65.8	295 381	100.4	298 629	3.2	197 435	66.1
Incentive Development and Administration	6 891 709	2 526 285	36.7	6 895 186	100.1	5 674 419	60.7	1 543 168	27.2
Trade and Investment South Africa	410 922	291 633	71.0	454 588	110.6	425 204	4.6	212 586	50.0
Investment South Africa	47 823	19 216	40.2	69 244	144.8	72 859	0.8	24 563	33.7
Total	10 389 517	4 539 516	43.7	10 349 396	99.6	9 343 187	100.0	3 797 185	40.6
Economic classification									
Current payments	1 582 199	728 390	46.0	1 505 485	95.2	1 663 642	17.8	768 325	46.2
Compensation of employees	930 311	454 160	48.8	915 498	98.4	947 719	10.1	483 528	51.0
Goods and services	651 888	274 230	42.1	589 987	90.5	715 923	7.7	284 797	39.8
Transfers and subsidies	8 774 015	3 804 609	43.4	8 818 108	100.5	7 656 088	81.9	3 012 119	39.3
Departmental agencies and accounts	856 034	439 807	51.4	856 034	100.0	727 576	7.8	446 614	61.4
Foreign governments and international organisations	32 571	–	0.0	29 843	91.6	33 256	0.4	1 644	4.9
Public corporations and private enterprises	7 720 386	3 296 385	42.7	7 765 239	100.6	6 724 046	72.0	2 455 224	36.5
Non-profit institutions	163 107	67 000	41.1	163 107	100.0	169 814	1.8	107 708	63.4
Households	1 914	1 417	74.0	3 885	203.0	1 396	0.0	929	66.5
Payments for capital assets	33 303	6 504	19.5	16 103	48.4	23 457	0.3	16 733	71.3
Machinery and equipment	25 436	6 504	25.6	11 071	43.5	20 869	0.2	15 953	76.4
Software and other intangible assets	7 867	–	0.0	5 032	64.0	2 588	0.0	780	30.1
Total	10 389 517	4 539 516	43.7	10 349 396	99.6	9 343 187	100.0	3 797 185	40.6

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R10.3 billion, or 99.6 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R3.8 billion, or 40.6 per cent of the adjusted appropriation of R9.3 billion for the year. In comparison, mid-year expenditure in 2016/17 was R4.5 billion,

or 43.7 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R742.3 million, or 16.4 per cent. This is mainly due to a decrease in transfer payments to public corporations and private enterprises, and payments to households.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17 % of adjusted estimate	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17 % of adjusted estimate	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	82 155	47 601	57.9	98 092	119.4	69 000	68 521	100.0	29 081	42.4
Tax receipts	4 000	1 781	44.5	4 862	121.6	5 200	4 800	7.0	1 734	36.1
Sales of goods and services produced by department	616	224	36.4	610	99.0	616	552	0.8	275	49.8
Sales of scrap, waste, arms and other used current goods	5	4	80.0	14	280.0	1	81	0.1	75	92.6
Transfers received	244	–	0.0	–	–	–	–	–	–	–
Fines, penalties and forfeits	400	332	83.0	365	91.3	220	60	0.1	36	60.0
Interest, dividends and rent on land	3 570	80	2.2	2 708	75.9	550	550	0.8	82	14.9
Sales of capital assets	300	–	0.0	–	–	300	365	0.5	365	100.0
Transactions in financial assets and liabilities	73 020	45 180	61.9	89 533	122.6	62 113	62 113	90.6	26 514	42.7
Total	82 155	47 601	57.9	98 092	119.4	69 000	68 521	100.0	29 081	42.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R29.1 million, or 42.4 per cent of the adjusted revenue estimate of R68.5 million for the year. In comparison, mid-year revenue in 2016/17 was R47.6 million, or 57.9 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R18.5 million, or 38.9 per cent. The high revenue in the previous financial year was mainly due to backdated rental payments received from the Competition Commission for office accommodation for 2015/16 and 2016/17. Revenue for 2017/18 is in line with the department's projections.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme								
		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration								
Households								
Social benefits								
Current	–	–	–	57	–	–	57	57
Employee social benefits	–	–	–	57	–	–	57	57
Households								
Other transfers to households								
Current	539	–	–	(500)	–	–	(500)	39
Bursaries for non-employees	539	–	–	(539)	–	–	(539)	–
Other transfers to households	–	–	–	39	–	–	39	39
International Trade and Economic Development								
Households								
Social benefits								
Current	–	–	–	14	–	–	14	14
Employee social benefits	–	–	–	14	–	–	14	14

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

2017/18								
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Special Economic Zones and Economic Transformation								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	20 000	–	–	(20 000)	–	–	(20 000)	–
Broad-Based Black Economic Empowerment Commission	20 000	–	–	(20 000)	–	–	(20 000)	–
Households								
Social benefits								
Current	–	–	–	5	–	–	5	5
Employee social benefits	–	–	–	5	–	–	5	5
Households								
Other transfers to households								
Current	–	–	–	100	–	–	100	100
Gifts and donations	–	–	–	100	–	–	100	100
Industrial Development								
Foreign governments and international organisations								
Current	1 798	–	–	(154)	–	–	(154)	1 644
Treaty Organisations for Metrology	1 798	–	–	(154)	–	–	(154)	1 644
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	25 678	–	–	(7 000)	–	–	(7 000)	18 678
Council for Scientific and Industrial Research: National foundry technology network	25 678	–	–	(7 000)	–	–	(7 000)	18 678
Non-profit institutions								
Current	40 790	–	–	9 000	–	–	9 000	49 790
Trade and industrial policy strategies	21 423	–	–	3 000	–	–	3 000	24 423
Centurion Aerospace Village	19 367	–	–	6 000	–	–	6 000	25 367
Households								
Social benefits								
Current	–	–	–	8	–	–	8	8
Employee social benefits	–	–	–	8	–	–	8	8
Consumer and Corporate Regulation								
Households								
Social benefits								
Current	–	–	–	29	–	–	29	29
Employee social benefits	–	–	–	29	–	–	29	29
Incentive Development and Administration								
Public corporations and private enterprises								
Public corporations								
Other transfers								
Capital	695 421	–	–	370 000	–	–	370 000	1 065 421
Various institutions: Critical infrastructure programme	90 000	–	–	70 000	–	–	70 000	160 000
Various institutions: Special economic zones	605 421	–	–	300 000	–	–	300 000	905 421
Public corporations and private enterprises								
Private enterprises								
Subsidies on production or products								
Current	4 397 350	–	–	(400 000)	–	–	(400 000)	3 997 350
Various institutions: Services sector development incentives	692 500	–	–	100 000	–	–	100 000	792 500
Various institutions: Manufacturing development incentives	3 564 850	–	–	(400 000)	–	–	(400 000)	3 164 850
Various institutions: Industrial development zones (other)	140 000	–	–	(100 000)	–	–	(100 000)	40 000
Public corporations and private enterprises								
Private enterprises								
Other transfers								
Current	212 500	–	–	(30 000)	–	–	(30 000)	182 500
Various institutions: Export market and investment assistance	212 500	–	–	(30 000)	–	–	(30 000)	182 500

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

2017/18								
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Capital	119 500	–	–	(20 000)	–	–	(20 000)	99 500
Various institutions: Critical infrastructure programme	119 500	–	–	(20 000)	–	–	(20 000)	99 500
Trade and Investment South Africa								
Foreign governments and international organisations								
Current	2 911	–	–	(2 911)	–	–	(2 911)	–
Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank)	1 456	–	–	(1 456)	–	–	(1 456)	–
Export consultancy trust funds: International Finance Corporation	1 455	–	–	(1 455)	–	–	(1 455)	–
Households								
Social benefits								
Current	–	–	–	194	–	–	194	194
Employee social benefits	–	–	–	194	–	–	194	194
Investment South Africa								
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	–	–	–	22 000	–	–	22 000	22 000
Various Institutions: One Stop Shop	–	–	–	22 000	–	–	22 000	22 000
Households								
Social benefits								
Current	–	–	–	50	–	–	50	50
Employee social benefits	–	–	–	50	–	–	50	50
Households								
Other transfers to households								
Current	–	–	–	100	–	–	100	100
Gifts and donations	–	–	–	100	–	–	100	100

Vote 35

Transport

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	59 795 180	59 795 180	(14 026)	14 026
of which:				
Current payments	1 110 036	1 120 612	–	10 576
Transfers and subsidies	58 680 663	58 666 637	(14 026)	–
Payments for capital assets	4 481	7 931	–	3 450
Direct charge against the National Revenue Fund	10 000	10 000	–	–
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 2017/18 as published in the 2017 ENE	Achieved in the first five months of 2017/18 (April to August)	Changed target for 2017/18
Lane kilometres of surfaced roads rehabilitated per year ¹	Road Transport	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1 500 km	210 km	–
Lane kilometres of roads resealed per year ¹	Road Transport		4 000 km	553 km	–
Kilometres of roads re-gravelled per year	Road Transport		5 300 km	900 km	–
Square kilometres of blacktop patching on roads (including pothole repairs) per year ¹	Road Transport		900 000 km ²	242 422 km ²	–
Kilometres of gravel roads bladed per year ¹	Road Transport		460 000 km	116 422 km	–
Number of average weekday bus rapid transit passenger trips per year: Rea Vaya (Johannesburg) ²	Public Transport		70 000	54 000	–
Total number of integrated public transport networks facilitated at the construction phase ²	Public Transport		13	12	–
Number of average weekday bus rapid transit passenger trips per year: MyCiti (Cape Town) ²	Public Transport		76 895	75 000	–
Number of average weekday bus rapid transit passenger trips per year: GO GEORGE (George) ²	Public Transport		24 000	11 300	–
Number of average weekday bus rapid transit passenger trips per year: A re Yeng (Pretoria) ²	Public Transport		9 000	4 300	–

1. Only data for the first five months of 2017/18 is currently available. Accurately verified information will only be available at the end of 2017/18.

2. As at 30 June 2017.

Mid-year progress

210 lane kilometres of surfaced roads have been rehabilitated in provinces.

553 lane kilometres of provincial roads have been resealed.

900 kilometres of roads have been re-gravelled.

242 422 square kilometres of blacktop patching has been used on roads in provinces.

The MyCiti bus rapid transit system in the city of Cape Town carries an approximate average of 75 000 passengers per weekday against a target of 76 895.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	406 857	–	–	214	–	–	214	407 071
Integrated Transport Planning	81 663	–	–	978	–	–	978	82 641
Rail Transport	19 320 255	–	–	(11 356)	–	–	(11 356)	19 308 899
Road Transport	27 128 572	–	–	1 067	–	–	1 067	27 129 639
Civil Aviation	169 869	–	–	366	–	–	366	170 235
Maritime Transport	119 692	–	–	9 655	–	–	9 655	129 347
Public Transport	12 568 272	–	–	(924)	–	–	(924)	12 567 348
Sub-total	59 795 180	–	–	–	–	–	–	59 795 180
Direct charge against the National Revenue Fund	10 000	–	–	–	–	–	–	10 000
International Oil Pollution Compensation Funds	10 000	–	–	–	–	–	–	10 000
Total	59 805 180	–	–	–	–	–	–	59 805 180
Economic classification								
Current payments	1 110 036	–	–	10 576	–	–	10 576	1 120 612
Compensation of employees	450 021	–	–	6 800	–	–	6 800	456 821
Goods and services	660 015	–	–	3 776	–	–	3 776	663 791
Transfers and subsidies	58 690 663	–	–	(14 026)	–	–	(14 026)	58 676 637
Provinces and municipalities	22 743 403	–	–	–	–	–	–	22 743 403
Departmental agencies and accounts	16 279 504	–	–	(14 026)	–	–	(14 026)	16 265 478
Foreign governments and international organisations	27 719	–	–	–	–	–	–	27 719
Public corporations and private enterprises	19 216 418	–	–	–	–	–	–	19 216 418
Non-profit institutions	23 957	–	–	–	–	–	–	23 957
Households	399 662	–	–	–	–	–	–	399 662
Payments for capital assets	4 481	–	–	3 450	–	–	3 450	7 931
Machinery and equipment	4 481	–	–	3 450	–	–	3 450	7 931
Total	59 805 180	–	–	–	–	–	–	59 805 180

Programme 1: Administration

Programme of Expenditure		2017/18						
Subprogramme		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Ministry	35 365	–	–	(1 000)	–	–	(1 000)	34 365
Management	76 525	–	–	782	–	–	782	77 307
Corporate Services	206 289	–	–	432	–	–	432	206 721
Communications	35 851	–	–	–	–	–	–	35 851
Office Accommodation	52 827	–	–	–	–	–	–	52 827
Total	406 857	–	–	214	–	–	214	407 071
Economic classification								
Current payments	392 554	–	–	(2 786)	–	–	(2 786)	389 768
Compensation of employees	199 838	–	–	214	–	–	214	200 052
Goods and services	192 716	–	–	(3 000)	–	–	(3 000)	189 716
Transfers and subsidies	11 782	–	–	–	–	–	–	11 782
Departmental agencies and accounts	1 161	–	–	–	–	–	–	1 161
Households	10 621	–	–	–	–	–	–	10 621
Payments for capital assets	2 521	–	–	3 000	–	–	3 000	5 521
Machinery and equipment	2 521	–	–	3 000	–	–	3 000	5 521
Total	406 857	–	–	214	–	–	214	407 071

Programme 2: Integrated Transport Planning

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Macro Sector Planning	16 799	–	–	373	–	–	373	17 172
Freight Logistics	21 117	–	–	(5 120)	–	–	(5 120)	15 997
Modelling and Economic Analysis	17 176	–	–	2 297	–	–	2 297	19 473
Regional Integration	6 720	–	–	2 975	–	–	2 975	9 695
Research and Innovation	13 500	–	–	(347)	–	–	(347)	13 153
Integrated Transport Planning	6 351	–	–	800	–	–	800	7 151
Administration Support								
Total	81 663	–	–	978	–	–	978	82 641
Economic classification								
Current payments	81 473	–	–	528	–	–	528	82 001
Compensation of employees	45 844	–	–	1 978	–	–	1 978	47 822
Goods and services	35 629	–	–	(1 450)	–	–	(1 450)	34 179
Payments for capital assets	190	–	–	450	–	–	450	640
Machinery and equipment	190	–	–	450	–	–	450	640
Total	81 663	–	–	978	–	–	978	82 641

Programme 3: Rail Transport

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Rail Regulation	19 225	–	–	–	–	–	–	19 225
Rail Infrastructure and Industry Development	12 256	–	–	(1 733)	–	–	(1 733)	10 523
Rail Operations	7 725	–	–	377	–	–	377	8 102
Rail Oversight	19 275 982	–	–	(10 000)	–	–	(10 000)	19 265 982
Rail Administration Support	5 067	–	–	–	–	–	–	5 067
Total	19 320 255	–	–	(11 356)	–	–	(11 356)	19 308 899
Economic classification								
Current payments	44 168	–	–	(1 356)	–	–	(1 356)	42 812
Compensation of employees	25 533	–	–	644	–	–	644	26 177
Goods and services	18 635	–	–	(2 000)	–	–	(2 000)	16 635
Transfers and subsidies	19 275 982	–	–	(10 000)	–	–	(10 000)	19 265 982
Departmental agencies and accounts	59 564	–	–	(10 000)	–	–	(10 000)	49 564
Public corporations and private enterprises	19 216 418	–	–	–	–	–	–	19 216 418
Payments for capital assets	105	–	–	–	–	–	–	105
Machinery and equipment	105	–	–	–	–	–	–	105
Total	19 320 255	–	–	(11 356)	–	–	(11 356)	19 308 899

Programme 4: Road Transport

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Road Regulation	36 574	–	–	4 827	–	–	4 827	41 401
Road Infrastructure and Industry Development	37 094	–	–	(8 057)	–	–	(8 057)	29 037
Road Oversight	27 028 620	–	–	(4 026)	–	–	(4 026)	27 024 594
Road Administration Support	7 855	–	–	–	–	–	–	7 855
Road Engineering Standards	18 429	–	–	8 323	–	–	8 323	26 752
Total	27 128 572	–	–	1 067	–	–	1 067	27 129 639
Economic classification								
Current payments	105 843	–	–	5 093	–	–	5 093	110 936
Compensation of employees	57 864	–	–	2 067	–	–	2 067	59 931
Goods and services	47 979	–	–	3 026	–	–	3 026	51 005
Transfers and subsidies	27 022 047	–	–	(4 026)	–	–	(4 026)	27 018 021
Provinces and municipalities	10 860 973	–	–	–	–	–	–	10 860 973
Departmental agencies and accounts	16 161 074	–	–	(4 026)	–	–	(4 026)	16 157 048
Payments for capital assets	682	–	–	–	–	–	–	682
Machinery and equipment	682	–	–	–	–	–	–	682
Total	27 128 572	–	–	1 067	–	–	1 067	27 129 639

Programme 5: Civil Aviation

Subprogramme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Aviation Policy and Regulations	25 053	–	–	299	–	–	299	25 352
Aviation Economic Analysis and Industry Development	11 401	–	–	–	–	–	–	11 401
Aviation Safety, Security, Environment and Search and Rescue	71 461	–	–	67	–	–	67	71 528
Aviation Oversight	56 895	–	–	–	–	–	–	56 895
Aviation Administration Support	5 059	–	–	–	–	–	–	5 059
Total	169 869	–	–	366	–	–	366	170 235
Economic classification								
Current payments	115 714	–	–	366	–	–	366	116 080
Compensation of employees	40 365	–	–	366	–	–	366	40 731
Goods and services	75 349	–	–	–	–	–	–	75 349
Transfers and subsidies	53 734	–	–	–	–	–	–	53 734
Departmental agencies and accounts	35 216	–	–	–	–	–	–	35 216
Foreign governments and international organisations	15 850	–	–	–	–	–	–	15 850
Non-profit institutions	2 668	–	–	–	–	–	–	2 668
Payments for capital assets	421	–	–	–	–	–	–	421
Machinery and equipment	421	–	–	–	–	–	–	421
Total	169 869	–	–	366	–	–	366	170 235

Programme 6: Maritime Transport

Subprogramme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Maritime Policy Development	9 863	–	–	1 188	–	–	1 188	11 051
Maritime Infrastructure and Industry Development	13 438	–	–	(888)	–	–	(888)	12 550
Implementation, Monitoring and Evaluations	59 919	–	–	9 243	–	–	9 243	69 162
Maritime Oversight	29 256	–	–	212	–	–	212	29 468
Maritime Administration Support	7 216	–	–	(100)	–	–	(100)	7 116
Total	119 692	–	–	9 655	–	–	9 655	129 347
Economic classification								
Current payments	95 005	–	–	9 655	–	–	9 655	104 660
Compensation of employees	28 384	–	–	455	–	–	455	28 839
Goods and services	66 621	–	–	9 200	–	–	9 200	75 821
Transfers and subsidies	24 358	–	–	–	–	–	–	24 358
Departmental agencies and accounts	22 489	–	–	–	–	–	–	22 489
Foreign governments and international organisations	1 869	–	–	–	–	–	–	1 869
Payments for capital assets	329	–	–	–	–	–	–	329
Machinery and equipment	329	–	–	–	–	–	–	329
Total	119 692	–	–	9 655	–	–	9 655	129 347

Programme 7: Public Transport

Subprogramme		2017/18						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Public Transport Regulation	34 981	–	–	19 282	–	–	19 282	54 263
Rural and Scholar Transport	48 743	–	–	(9 559)	–	–	(9 559)	39 184
Public Transport Industry Development	161 283	–	–	(8 828)	–	–	(8 828)	152 455
Public Transport Oversight	12 292 760	–	–	–	–	–	–	12 292 760
Public Transport Administration Support	12 753	–	–	(2 000)	–	–	(2 000)	10 753
Public Transport Network Development	17 752	–	–	181	–	–	181	17 933
Total	12 568 272	–	–	(924)	–	–	(924)	12 567 348

Programme 7: Public Transport (continued)

Economic classification		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	275 279	–	–	(924)	–	–	(924)	274 355
Compensation of employees	52 193	–	–	1 076	–	–	1 076	53 269
Goods and services	223 086	–	–	(2 000)	–	–	(2 000)	221 086
Transfers and subsidies	12 292 760	–	–	–	–	–	–	12 292 760
Provinces and municipalities	11 882 430	–	–	–	–	–	–	11 882 430
Non-profit institutions	21 289	–	–	–	–	–	–	21 289
Households	389 041	–	–	–	–	–	–	389 041
Payments for capital assets	233	–	–	–	–	–	–	233
Machinery and equipment	233	–	–	–	–	–	–	233
Total	12 568 272	–	–	(924)	–	–	(924)	12 567 348

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

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		(3 000)	Programme 1		3 000
Goods and services	Legal services, operating payments, and travel and subsistence	(3 000)	Machinery and equipment	Boardroom upgrades and vehicles	3 000
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(1 450)	Programme 1		214
Goods and services	Business and advisory services	(214)	Compensation of employees	Implementation of job evaluation recommendations ¹	214
	Business and advisory services	(450)	Programme 2		1 236
	Business and advisory services	(786)	Machinery and equipment	Office furniture	450
Shifts within the programme as a percentage of the programme budget		7.7%	Compensation of employees	Implementation of job evaluation recommendations ¹	786
Virements to other programmes as a percentage of the programme budget		0.3%			
Programme 3		(392 847)	Programme 2		1 192
Goods and services	Business and advisory services	(1 192)	Compensation of employees	Implementation of job evaluation recommendations ¹	1 192
	Business and advisory services	(644)	Programme 3		644
	Business and advisory services	(164)	Compensation of employees	Implementation of job evaluation recommendations ¹	644
Departmental agencies and accounts	Transfer payment to the Railway Safety Regulator ²	(10 000)	Programme 4		164
			Compensation of employees	Implementation of job evaluation recommendations ¹	164
			Programme 6		10 000
Public corporations and private enterprises	Capital transfer to the Passenger Rail Agency of South Africa ¹	(380 847)	Goods and services	Oil pollution prevention project	10 000
			Programme 3		380 847
Shifts within the programme as a percentage of the programme budget		2.0%	Public corporations and private enterprises	Rail maintenance, operations and inventories at the Passenger Rail Agency of South Africa ¹	380 847
Virements to other programmes as a percentage of the programme budget		0.1%			

2017 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 4		(5 026)	Programme 4		5 026
Goods and services	Business and advisory services	(1 000)	Compensation of employees	Implementation of job evaluation recommendations ¹	1 000
Departmental agencies and accounts	Transfer payment to the Road Traffic Management Corporation ¹	(4 026)	Goods and services	Marketing for the administrative adjudication of Road Traffic Offences Act (1998)	4 026
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		(800)	Programme 4		800
Goods and services	Business and advisory services	(800)	Compensation of employees	Implementation of job evaluation recommendations ¹	800
Shifts within the programme as a percentage of the programme budget		1.0%			
Virements to other programmes as a percentage of the programme budget		0.7%			
Programme 7		(2 000)	Programme 4		103
Goods and services	Business and advisory services	(103)	Compensation of employees	Implementation of job evaluation recommendations ¹	103
	Business and advisory services	(455)	Programme 6		455
	Business and advisory services	(1 076)	Compensation of employees	Implementation of job evaluation recommendations ¹	455
	Business and advisory services	(366)	Programme 7		1 076
	Business and advisory services		Compensation of employees	Implementation of job evaluation recommendations ¹	1 076
	Business and advisory services		Programme 5		366
	Business and advisory services		Compensation of employees	Implementation of job evaluation recommendations ¹	366
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(405 123)			405 123

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme		2016/17 Audited outcome				2017/18 Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation	
Administration	392 793	147 456	37.5	365 136	93.0	407 071	0.7	191 276	47.0
Integrated Transport Planning	78 954	29 839	37.8	77 054	97.6	82 641	0.1	35 707	43.2
Rail Transport	18 985 533	7 997 265	42.1	18 992 005	100.0	19 308 899	32.3	7 990 306	41.4
Road Transport	24 799 126	13 310 665	53.7	25 055 434	101.0	27 129 639	45.4	15 082 663	55.6
Civil Aviation	253 223	75 426	29.8	210 427	83.1	170 235	0.3	93 120	54.7
Maritime Transport	120 835	66 091	54.7	153 561	127.1	129 347	0.2	43 589	33.7
Public Transport	11 655 390	3 907 371	33.5	11 550 042	99.1	12 567 348	21.0	4 205 161	33.5
Subtotal	56 285 854	25 534 113	45.4	56 403 659	100.2	59 795 180	100.0	27 641 822	46.2
Direct charges against the National Revenue Fund	1 700	–	0.0	3 821	224.8	10 000	0.0	–	0.0
International Oil Pollution Compensation Funds	1 700	–	0.0	3 821	224.8	10 000	0.0	–	0.0
Total	56 287 554	25 534 113	45.4	56 407 480	100.2	59 805 180	100.0	27 641 822	46.2
Economic classification									
Current payments	1 183 895	642 421	54.3	1 206 944	101.9	1 120 612	1.9	462 296	41.3
Compensation of employees	432 139	190 998	44.2	392 791	90.9	456 821	0.8	220 967	48.4
Goods and services	751 756	451 423	60.0	814 153	108.3	663 791	1.1	241 329	36.4

Economic classification	2016/17					2017/18				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation	
Transfers and subsidies	55 096 168	24 887 993	45.2	55 168 748	100.1	58 676 637	98.1	27 171 505	46.3	
Provinces and municipalities	21 572 691	9 546 268	44.3	21 572 691	100.0	22 743 403	38.0	10 663 636	46.9	
Departmental agencies and accounts	14 233 971	7 305 773	51.3	14 296 079	100.4	16 265 478	27.2	8 469 270	52.1	
Foreign governments and international organisations	12 864	11 476	89.2	15 845	123.2	27 719	0.0	18 030	65.0	
Public corporations and private enterprises	18 890 267	7 927 060	42.0	18 890 267	100.0	19 216 418	32.1	7 923 683	41.2	
Non-profit institutions	22 816	12 000	52.6	22 816	100.0	23 957	0.0	15 404	64.3	
Households	363 559	85 416	23.5	371 050	102.1	399 662	0.7	81 482	20.4	
Payments for capital assets	7 491	3 685	49.2	9 548	127.5	7 931	0.0	8 005	100.9	
Machinery and equipment	7 491	3 685	49.2	9 548	127.5	7 931	0.0	8 005	100.9	
Payments for financial assets	–	14	–	22 240	–	–	0.0	16	–	
Total	56 287 554	25 534 113	45.4	56 407 480	100.2	59 805 180	100.0	27 641 822	46.2	

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R56.4 billion, or 100.2 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R27.6 billion, or 46.2 per cent of the adjusted appropriation of R59.8 billion for the year. In comparison, mid-year expenditure in 2016/17 was R25.5 billion, or 45.4 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R2.1 billion, or 8.3 per cent. This is mainly due to an increase in scheduled transfer payments to public entities, provinces and municipalities.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	276 607	25 723	9.3	290 260	104.9	295 589	270 440	100.0	873	0.3
Sales of goods and services produced by department	621	351	56.5	1 138	183.3	654	1 259	0.5	680	54.0
Sales of scrap, waste, arms and other used current goods	–	–	–	1	–	32	1	0.0	–	0.0
Transfers received	244	–	0.0	–	0.0	–	–	0.0	–	–
Fines, penalties and forfeits	70	–	0.0	–	0.0	74	–	0.0	–	–
Interest, dividends and rent on land	250 908	908	0.4	256 745	102.3	268 958	268 808	99.4	7	0.0
Sales of capital assets	300	–	0.0	–	0.0	–	–	0.0	–	–
Transactions in financial assets and liabilities	24 464	24 464	100.0	32 376	132.3	25 871	372	0.1	186	50.0
Total	276 607	25 723	9.3	290 260	104.9	295 589	270 440	100.0	873	0.3

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R873 000, or 0.3 per cent of the adjusted revenue estimate of R270.4 million for the year. In comparison, mid-year revenue in 2016/17 was R25.7 million, or 9.3 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R24.9 million, or 96.6 percent. This is mainly due to a once-off receipt from a state-owned insurance fund for fleet management in 2016/17.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

	Main appropriation	2017/18 Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Rail Transport								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	59 564	–	–	(10 000)	–	–	(10 000)	49 564
Railway Safety Regulator	59 564	–	–	(10 000)	–	–	(10 000)	49 564
Public corporations and private enterprises								
Other transfers to public corporations								
Current	–	–	–	380 847	–	–	380 847	380 847
Passenger Rail Agency of South Africa: Rail maintenance operations and inventories	–	–	–	380 847	–	–	380 847	380 847
Capital	5 875 403	–	–	(380 847)	–	–	(380 847)	5 494 556
Passenger Rail Agency of South Africa: Other capital programmes	5 875 403	–	–	(380 847)	–	–	(380 847)	5 494 556
Road Transport								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	198 555	–	–	(4 026)	–	–	(4 026)	194 529
Road Traffic Management Corporation	198 555	–	–	(4 026)	–	–	(4 026)	194 529

Vote 36

Water and Sanitation

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	15 107 449	15 607 449	(145 813)	645 813
of which:				
Current payments	3 301 475	3 155 662	(145 813)	–
Transfers and subsidies	8 114 498	8 416 118	–	301 620
Payments for capital assets	3 691 476	4 035 669	–	344 193
Executive authority	Minister of Water and Sanitation			
Accounting officer	Director-General of Water and Sanitation			
Website address	www.dwa.gov.za			

Vote purpose

Ensure the availability of water resources, facilitate equitable and sustainable socioeconomic development, and ensure universal access to water and sanitation services.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of analysed reports on progress against the approved annual international relations implementation plan per year	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	4	2	–
Number of river systems with water resources classes and determined resource quality objectives per year	Water Planning and Information Management	Outcome 10: Protect and enhance our environmental assets and natural resources	4	0	–
Number of mega regional bulk infrastructure project phases completed per year	Water Infrastructure Development	Outcome 6: An efficient, competitive and responsive economic infrastructure network	3	0	–
Number of large regional bulk infrastructure project phases completed per year	Water Infrastructure Development		26	1	–
Number of small regional bulk infrastructure project phases completed per year	Water Infrastructure Development		20	1	–
Number of small projects completed through the Accelerated Community Infrastructure Programme per year	Water Infrastructure Development		52	0	1
Number of small projects completed through the water services infrastructure grant per year	Water Infrastructure Development		41	0	–
Number of existing bucket sanitation backlog systems in formal settlements replaced with adequate sanitation services per year	Water Infrastructure Development	Outcome 9: Responsive, accountable, effective and efficient developmental local government	25 382	2 044	–
Percentage of water use authorisation applications finalised within 300 working days of application	Water Sector Regulation	Outcome 10: Protect and enhance our environmental assets and natural resources	80%	74% (204/275)	–
Number of wastewater systems assessed for compliance with green drop regulatory standards per year	Water Sector Regulation		963	0	–
Number of water supply systems assessed for compliance with blue drop regulatory standards per year	Water Sector Regulation		1 036	0	–

Changes to indicators and targets published in the 2017/18 ENE

Targets for the accelerated community infrastructure programme have been revised downwards due to a reprioritisation of funds to the bucket eradication programme. The department has taken a decision to reduce spending on water services infrastructure projects. These are funded through municipal budgets.

Mid-year progress

No river systems to manage water quality have been put in place due to a protracted stakeholder consultation process and the amendment of the draft gazette, which is currently undergoing legal review. The actual work is expected to begin in the second half of 2017/18.

No mega regional bulk infrastructure projects have yet been completed in this financial year. So far, phase 1A of the Mooihoek water treatment plant, under large regional bulk infrastructure projects, has been completed; and no small projects have been completed through the water services infrastructure grant. The 2017/18 funds for these projects have been allocated to 2016/17 accrual payments. It is likely that the department will achieve its targets by the end of the financial year.

Due to a reprioritisation of funds to drought relief and the bucket eradication programme, no small projects have been completed in the accelerated community infrastructure programme and under the water services infrastructure grant.

There are 2 044 existing bucket sanitation backlog systems in formal settlements that have been replaced with adequate sanitation in 2017/18. 1 112 were in Northern Cape and 932 in Free State.

The department has improved turnaround times to process water use licence applications. 74 per cent of applications for water use authorisation were finalised within 300 days by September 2017.

No wastewater systems have been assessed for compliance with green drop regulatory standards, and no water supply systems have been assessed for compliance with the green and blue drop regulatory standards due to a shortage in capacity to conduct full assessments. Approval for procuring external technical capacity has been delayed, but work is expected to commence in the second half of 2017/18 when additional external resources have been procured.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	1 628 414	–	–	21 437	–	–	21 437	1 649 851
Water Planning and Information Management	816 462	–	–	(14 014)	–	–	(14 014)	802 448
Water Infrastructure Development	12 251 746	–	500 000	8 617	–	–	508 617	12 760 363
Water Sector Regulation	410 827	–	–	(16 040)	–	–	(16 040)	394 787
Total	15 107 449	–	500 000	–	–	–	500 000	15 607 449
Economic classification								
Current payments	3 301 475	–	–	(145 813)	–	–	(145 813)	3 155 662
Compensation of employees	1 651 856	–	–	(80 000)	–	–	(80 000)	1 571 856
Goods and services	1 649 619	–	–	(65 813)	–	–	(65 813)	1 583 806
Transfers and subsidies	8 114 498	–	300 000	1 620	–	–	301 620	8 416 118
Provinces and municipalities	5 194 904	–	–	267	–	–	267	5 195 171
Departmental agencies and accounts	1 586 054	–	300 000	–	–	–	300 000	1 886 054
Foreign governments and international organisations	197 743	–	–	–	–	–	–	197 743
Public corporations and private enterprises	1 098 503	–	–	–	–	–	–	1 098 503
Non-profit institutions	1 160	–	–	–	–	–	–	1 160
Households	36 134	–	–	1 353	–	–	1 353	37 487
Payments for capital assets	3 691 476	–	200 000	144 193	–	–	344 193	4 035 669
Buildings and other fixed structures	3 561 199	–	200 000	134 577	–	–	334 577	3 895 776
Machinery and equipment	87 191	–	–	25 765	–	–	25 765	112 956
Software and other intangible assets	43 086	–	–	(16 149)	–	–	(16 149)	26 937
Total	15 107 449	–	500 000	–	–	–	500 000	15 607 449

Programme 1: Administration

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Ministry	48 026	–	–	(5 877)	–	–	(5 877)	42 149
Departmental Management	96 097	–	–	(7 751)	–	–	(7 751)	88 346
Internal Audit	38 689	–	–	1 635	–	–	1 635	40 324
Corporate Services	746 020	–	–	(4 584)	–	–	(4 584)	741 436
Financial Management	236 902	–	–	(16 992)	–	–	(16 992)	219 910
Office Accommodation	376 346	–	–	34 900	–	–	34 900	411 246
Programme Management Unit	46 321	–	–	14 972	–	–	14 972	61 293
International Water Support	40 013	–	–	5 134	–	–	5 134	45 147
Total	1 628 414	–	–	21 437	–	–	21 437	1 649 851
Economic classification								
Current payments	1 542 286	–	–	19 192	–	–	19 192	1 561 478
Compensation of employees	753 944	–	–	(31 098)	–	–	(31 098)	722 846
Goods and services	788 342	–	–	50 290	–	–	50 290	838 632
Transfers and subsidies	22 011	–	–	–	–	–	–	22 011
Provinces and municipalities	25	–	–	–	–	–	–	25
Departmental agencies and accounts	2 674	–	–	–	–	–	–	2 674
Foreign governments and international organisations	920	–	–	–	–	–	–	920
Households	18 392	–	–	–	–	–	–	18 392
Payments for capital assets	64 117	–	–	2 245	–	–	2 245	66 362
Machinery and equipment	21 990	–	–	18 394	–	–	18 394	40 384
Software and other intangible assets	42 127	–	–	(16 149)	–	–	(16 149)	25 978
Total	1 628 414	–	–	21 437	–	–	21 437	1 649 851

Programme 2: Water Planning and Information Management

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Water Planning, Information Management and Support	4 662	–	–	1 578	–	–	1 578	6 240
Integrated Planning	114 220	–	–	(10 276)	–	–	(10 276)	103 944
Water Ecosystems	61 225	–	–	(6 848)	–	–	(6 848)	54 377
Water Information Management	503 908	–	–	(7 018)	–	–	(7 018)	496 890
Water Services and Local Water Management	97 274	–	–	10 854	–	–	10 854	108 128
Sanitation Planning and Management	16 324	–	–	(4 186)	–	–	(4 186)	12 138
Policy and Strategy	18 849	–	–	1 882	–	–	1 882	20 731
Total	816 462	–	–	(14 014)	–	–	(14 014)	802 448
Economic classification								
Current payments	739 594	–	–	(17 898)	–	–	(17 898)	721 696
Compensation of employees	418 421	–	–	(6 000)	–	–	(6 000)	412 421
Goods and services	321 173	–	–	(11 898)	–	–	(11 898)	309 275
Transfers and subsidies	1 243	–	–	1 450	–	–	1 450	2 693
Provinces and municipalities	415	–	–	267	–	–	267	682
Non-profit institutions	25	–	–	–	–	–	–	25
Households	803	–	–	1 183	–	–	1 183	1 986
Payments for capital assets	75 625	–	–	2 434	–	–	2 434	78 059
Buildings and other fixed structures	31 740	–	–	–	–	–	–	31 740
Machinery and equipment	42 926	–	–	2 434	–	–	2 434	45 360
Software and other intangible assets	959	–	–	–	–	–	–	959
Total	816 462	–	–	(14 014)	–	–	(14 014)	802 448

Programme 3: Water Infrastructure Development

Subprogramme		2017/18						
		Adjustments appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Strategic Infrastructure Development and Management	1 606 704	–	300 000	–	–	–	300 000	1 906 704
Operation of Water Resources	173 000	–	–	–	–	–	–	173 000
Regional Bulk Infrastructure Grant	5 822 845	–	200 000	(4 030)	–	–	195 970	6 018 815
Water Services Infrastructure Grant	4 169 523	–	–	248 819	–	–	248 819	4 418 342
Accelerated Community Infrastructure Programme	479 674	–	–	(236 172)	–	–	(236 172)	243 502
Total	12 251 746	–	500 000	8 617	–	–	508 617	12 760 363

Programme 3: Water Infrastructure Development (continued)

Economic classification		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Current payments	623 069	–	–	(130 755)	–	–	(130 755)	492 314
Compensation of employees	259 429	–	–	(44 977)	–	–	(44 977)	214 452
Goods and services	363 640	–	–	(85 778)	–	–	(85 778)	277 862
Transfers and subsidies	8 090 145	–	300 000	105	–	–	300 105	8 390 250
Provinces and municipalities	5 194 464	–	–	–	–	–	–	5 194 464
Departmental agencies and accounts	1 582 881	–	300 000	–	–	–	300 000	1 882 881
Foreign governments and international organisations	196 823	–	–	–	–	–	–	196 823
Public corporations and private enterprises	1 098 503	–	–	–	–	–	–	1 098 503
Non-profit institutions	1 135	–	–	–	–	–	–	1 135
Households	16 339	–	–	105	–	–	105	16 444
Payments for capital assets	3 538 532	–	200 000	139 267	–	–	339 267	3 877 799
Buildings and other fixed structures	3 529 459	–	200 000	134 577	–	–	334 577	3 864 036
Machinery and equipment	9 073	–	–	4 690	–	–	4 690	13 763
Total	12 251 746	–	500 000	8 617	–	–	508 617	12 760 363

Programme 4: Water Sector Regulation

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Water Sector Regulation	38 315	–	–	1 058	–	–	1 058	39 373
Management and Support								
Economic and Social Regulation	29 607	–	–	(6 738)	–	–	(6 738)	22 869
Water Use Authorisation and Administration	69 171	–	–	(3 632)	–	–	(3 632)	65 539
Water Supply Services and Sanitation Regulation	24 982	–	–	–	–	–	–	24 982
Compliance Monitoring and Enforcement	126 261	–	–	(3 272)	–	–	(3 272)	122 989
Institutional Oversight	122 491	–	–	(3 456)	–	–	(3 456)	119 035
Total	410 827	–	–	(16 040)	–	–	(16 040)	394 787
Economic classification								
Current payments	396 526	–	–	(16 352)	–	–	(16 352)	380 174
Compensation of employees	220 062	–	–	2 075	–	–	2 075	222 137
Goods and services	176 464	–	–	(18 427)	–	–	(18 427)	158 037
Transfers and subsidies	1 099	–	–	65	–	–	65	1 164
Departmental agencies and accounts	499	–	–	–	–	–	–	499
Households	600	–	–	65	–	–	65	665
Payments for capital assets	13 202	–	–	247	–	–	247	13 449
Machinery and equipment	13 202	–	–	247	–	–	247	13 449
Total	410 827	–	–	(16 040)	–	–	(16 040)	394 787

Details of adjustments to Estimates of National Expenditure 2017**Unforeseeable and unavoidable expenditure – R500 million****Programme 3: Water Infrastructure Development**

An additional R500 million has been allocated to the vote for the implementation of the Butterworth emergency water supply scheme, and for upgrading the capacity of the Thukela Goedertrouw transfer scheme.

Virements and shifts within votes

Programmes

1. Administration
2. Water Planning and Information Management
3. Water Infrastructure Development
4. Water Sector Regulation

FROM:

Programme by economic classification	Motivation	R thousand
Programme 1		(55 492)
Compensation of employees	Vacant posts ¹	(34 900)
	Vacant posts	(2 198)
Software and other intangible assets	Reclassification of funds incorrectly classified in the 2017 ENE	(16 149)
Goods and services	Advertising, communications, computer services, and venues and facilities	(2 099)
	Advertising, communications, computer services, and venues and facilities	(146)

Shifts within the programme as a percentage of the programme budget 3.8%

Virements to other programmes as a percentage of the programme budget 0.1%

TO:

Programme by economic classification	Motivation	R thousand
Programme 1		34 900
Goods and services	Office accommodation	34 900
Programme 2		2 198
Compensation of employees	Personnel remuneration	2 198
Programme 1		18 248
Machinery and equipment	Reclassification of funds incorrectly classified in the 2017 ENE	16 149
Machinery and equipment	Finance leases for cellphones and printers	2 099
Programme 4		146
Goods and services	Business and advisory services, contractors, and venues and facilities	146

Programme 2 (25 679)

Compensation of employees	Vacant posts	(6 000)
	Vacant posts ¹	(1 012)
	Vacant posts	(1 186)
Goods and services	Infrastructure and planning services, inventory, and training and development	(1 697)
	Infrastructure and planning services, inventory, and training and development	(485)
	Infrastructure and planning services, inventory, and training and development	(1 183)
	Infrastructure and planning services, inventory, and training and development	(267)
	Infrastructure and planning services, inventory, and training and development	(13 849)

Shifts within the programme as a percentage of the programme budget 2.6%

Virements to other programmes as a percentage of the programme budget 2.9%

Programme 1 6 000

Compensation of employees	Personnel remuneration	6 000
Programme 3		1 012
Buildings and other fixed structures	Bucket eradication programme	1 012
Programme 4		1 186
Compensation of employees	Personnel remuneration	1 186
Programme 1		1 697
Goods and services	Business and advisory services, contractors, and venues and facilities	1 697
Programme 2		1 935
Machinery and equipment	Hydro equipment and office furniture	485
	Households	1 183
	Provinces and municipalities	267
Programme 3		13 849
Goods and services	Water tankering activities as a result of drought relief interventions	13 849

Programme 3 (145 084)

Compensation of employees	Vacant posts ¹	(44 088)
	Vacant posts	(889)
Goods and services	Computer services, consultants and contractors	(5 583)
	Cost containment measures effected mainly on venues and facilities	(252)

Programme 3 44 088

Buildings and other fixed structures	Bucket eradication programme	44 088
Programme 4		889
Compensation of employees	Personnel remuneration	889
Programme 2		5 835
Goods and services	Consumables, and travel and subsistence	5 583
Machinery and equipment	Finance leases for cellphones and printers	252

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
			Programme 3		94 272
	Agency and support/ outsourced services, computer services, consultants and contractors	(4 690)	Machinery and equipment	Finance leases for cellphones, office equipment and printers	4 690
	Agency and support/ outsourced services, computer services and contractors	(77 877)	Buildings and other fixed structures	Bucket eradication programme	77 877
	Agency and support/ outsourced services, computer services and contractors	(11 600)	Buildings and other fixed structures	Bucket eradication programme	11 600
	Agency and support/ outsourced services, computer services and contractors	(105)	Households	Leave gratuities	105
Shifts within the programme as a percentage of the programme budget		2.4%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Programme 4		(20 416)	Programme 1		15 938
Goods and services	Waste discharge charge system and Environmental Management Inspectorate projects	(15 938)	Goods and services	Business and advisory services, contractors, and venues and facilities	15 938
	Waste discharge charge system and Environmental Management Inspectorate projects	(480)	Programme 3		480
	Waste discharge charge system and Environmental Management Inspectorate projects		Goods and services	Water tankering activities as a result of drought relief interventions	480
	Waste discharge charge system and Environmental Management Inspectorate projects	(2 090)	Programme 4		2 155
	Waste discharge charge system and Environmental Management Inspectorate projects		Machinery and equipment	Finance leases for cellphones and printers	2 090
	Waste discharge charge system and Environmental Management Inspectorate projects	(65)	Households	Leave gratuities	65
	Transport equipment	(146)	Programme 1		146
Machinery and equipment	Transport equipment		Machinery and equipment	Finance leases for cellphones and printers	146
	Transport equipment	(1 697)	Programme 2		1 697
	Transport equipment		Machinery and equipment	Hydro equipment	1 697
Shifts within the programme as a percentage of the programme budget		4.9%			
Virements to other programmes as a percentage of the programme budget		4.4%			
Total		(246 671)			246 671

1. Only the legislature may approve this virement.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	1 591 895	758 174	47.6	1 094 651	68.8	1 649 851	10.6	760 580	46.1
Water Planning and Information Management	831 013	299 167	36.0	695 603	83.7	802 448	5.1	325 738	40.6
Water Infrastructure Development	12 782 445	6 178 632	48.3	13 563 499	106.1	12 760 363	81.8	5 718 260	44.8
Water Sector Regulation	319 244	135 190	42.3	281 685	88.2	394 787	2.5	157 155	39.8
Total	15 524 597	7 371 163	47.5	15 635 438	100.7	15 607 449	100.0	6 961 733	44.6

Economic classification	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Current payments	3 205 871	1 480 331	46.2	3 139 948	97.9	3 155 662	20.2	1 329 651	42.1
Compensation of employees	1 540 217	706 950	45.9	1 439 945	93.5	1 571 856	10.1	762 782	48.5
Goods and services	1 665 585	773 313	46.4	1 699 929	102.1	1 583 806	10.1	566 869	35.8
Interest and rent on land	69	68	98.6	74	107.2	–	0.0	–	0.0
Transfers and subsidies	7 484 242	3 497 598	46.7	7 482 157	100.0	8 416 118	53.9	3 720 273	44.2
Provinces and municipalities	4 695 401	1 624 999	34.6	4 681 319	99.7	5 195 171	33.3	2 241 076	43.1
Departmental agencies and accounts	1 713 664	1 711 663	99.9	1 725 869	100.7	1 886 054	12.1	1 053 318	55.8
Higher education institutions	188 370	94 393	50.1	188 250	99.9	–	0.0	87 555	0.0
Foreign governments and international organisations	844 773	50 000	5.9	844 773	100.0	197 743	1.3	328 810	166.3
Public corporations and private enterprises	–	–	–	–	–	1 098 503	7.0	–	0.0
Non-profit institutions	2 766	1 160	41.9	3 337	120.6	1 160	0.0	270	23.3
Households	39 268	15 383	39.2	38 609	98.3	37 487	0.2	9 244	24.7
Payments for capital assets	4 834 484	2 393 234	49.5	5 013 330	103.7	4 035 669	25.9	1 911 809	47.4
Buildings and other fixed structures	4 697 334	2 346 979	50.0	4 927 368	104.9	3 895 776	25.0	1 858 210	47.7
Machinery and equipment	109 258	23 874	21.9	62 003	56.7	112 956	0.7	26 041	23.1
Software and other intangible assets	27 892	22 381	80.2	23 959	85.9	26 937	0.2	27 558	102.3
Payments for financial assets	–	–	–	3	–	–	0.0	–	0.0
Total	15 524 597	7 371 163	47.5	15 635 438	100.7	15 607 449	100.0	6 961 733	44.6

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R15.6 billion, or 100.7 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R7 billion, or 44.6 per cent of the adjusted appropriation of R15.6 billion for the year. In comparison, mid-year expenditure in 2016/17 was R7.4 billion, or 47.5 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R409.4 million, or 5.6 per cent. This is mainly due to delayed spending in the *Water Infrastructure Development* programme, transfer payments to water boards, and conditional grants to municipalities.

Departmental receipts

	2016/17					2017/18			
	Audited outcome					Actual receipts			
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	20 874	17 123	82.0	20 964	100.4	14 146	7 386	100.0	4 201
Sales of goods and services produced by department	2 423	1 485	61.3	3 164	130.6	2 535	2 009	27.2	1 023
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	11	12	0.2	6
Interest, dividends and rent on land	1 604	921	57.4	1 384	86.3	1 600	2 575	34.9	1 242
Sales of capital assets	20	20	100.0	–	–	–	96	1.3	66
Transactions in financial assets and liabilities	16 827	14 697	87.3	16 416	97.6	10 000	2 694	36.5	1 864
Total	20 874	17 123	82.0	20 964	100.4	14 146	7 386	100.0	4 201

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R4.2 million, or 56.9 per cent of the adjusted revenue estimate of R7.4 million for the year. In comparison, mid-year revenue in 2016/17 was R17.1 million, or 82 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R12.9 million, or 75.5 per cent. This is mainly due to lower than anticipated collections from loans receivable as some of these have been paid off, and a decline in the provision of rental dwellings and private boarding facilities by the department.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Water Planning and Information Management								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	415	–	–	267	–	–	267	682
Vehicle licences	415	–	–	267	–	–	267	682
Households								
Social benefits								
Current	803	–	–	1 183	–	–	1 183	1 986
Employee social benefits	803	–	–	1 183	–	–	1 183	1 986
Water Infrastructure Development								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Capital	1 409 881	–	300 000	–	–	–	300 000	1 709 881
Water Trading Entity	1 409 881	–	300 000	–	–	–	300 000	1 709 881
Households								
Social benefits								
Current	16 339	–	–	105	–	–	105	16 444
Employee social benefits	16 339	–	–	105	–	–	105	16 444
Water Sector Regulation								
Households								
Social benefits								
Current	600	–	–	65	–	–	65	665
Employee social benefits	600	–	–	65	–	–	65	665

Vote 37

Arts and Culture

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	4 449 845	4 371 738	(115 942)	37 835
of which:				
Current payments	631 369	669 204	–	37 835
Transfers and subsidies	3 575 151	3 486 869	(88 282)	–
Payments for capital assets	243 325	215 665	(27 660)	–
Executive authority	Minister of Arts and Culture			
Accounting officer	Director-General of Arts and Culture			
Website address	www.dac.gov.za			

Vote purpose

Contribute to sustainable economic development and enhance job creation by preserving, protecting and developing South African arts, culture and heritage to sustain a socially cohesive and democratic nation.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of community conversations on social cohesion and nation building conducted per year	Institutional Governance	Outcome 14: Nation building and social cohesion	33	11	–
Number of flagship cultural events supported per year	Arts and Culture Promotion and Development		20	10	–
Number of community arts programmes activated per year	Arts and Culture Promotion and Development		150 ¹	20	–
Number of language practice bursaries awarded per year	Arts and Culture Promotion and Development		320	– ²	–
Number of artists placed in schools per year	Arts and Culture Promotion and Development	Outcome 1: Quality basic education	340	0	–
Number of bursaries in heritage studies awarded per year	Heritage Promotion and Preservation	Outcome 14: Nation building and social cohesion	65	– ²	–
Number of flagpoles and flags installed at schools per year	Heritage Promotion and Preservation		500	– ²	–
Number of community libraries built per year	Heritage Promotion and Preservation		26	– ²	–
Number of community libraries upgraded per year	Heritage Promotion and Preservation		40	– ²	–
Percentage of schools that have booklets and posters (frames) of national symbols and orders per year	Heritage Promotion and Preservation		27% (6 430/24 000)	– ²	–

1. Target changed to align with target published in the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

2. Department will report on these indicators annually.

Mid-year progress

The relocation of the department to a new building caused delays in convening the adjudication panel commissioned to assess applications for community arts programmes. As a result, only 20 programmes have been activated out of a targeted 150 for the year. However, the panel has now concluded its adjudication of applications and funding will be allocated, placing the department on track to meet its target.

No artists out of a targeted 340 have yet been placed in schools due to delays in signing memorandums of understanding with non-profit organisations. To date, only 7 have been signed. However, the department plans to focus on ensuring the remaining memorandums of understanding are signed in order to meet its target in the fourth quarter of 2017/18.

The department is on track to meet its targets by the end of the financial year.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	266 509	11 893	–	92 020	–	–	103 913	370 422
Institutional Governance	385 951	–	–	(49 985)	(38 546)	–	(88 531)	297 420
Arts and Culture Promotion and Development	1 154 316	–	–	(51 721)	(10 000)	–	(61 721)	1 092 595
Heritage Promotion and Preservation	2 643 069	–	–	9 686	(41 454)	–	(31 768)	2 611 301
Total	4 449 845	11 893	–	–	(90 000)	–	(78 107)	4 371 738
Economic classification								
Current payments	631 369	6 925	–	30 910	–	–	37 835	669 204
Compensation of employees	232 464	–	–	–	–	–	–	232 464
Goods and services	398 905	6 925	–	30 910	–	–	37 835	436 740
Transfers and subsidies	3 575 151	–	–	(36 828)	(51 454)	–	(88 282)	3 486 869
Provinces and municipalities	1 419 960	–	–	–	–	–	–	1 419 960
Departmental agencies and accounts	1 831 494	–	–	(35 770)	(51 454)	–	(87 224)	1 744 270
Higher education institutions	–	–	–	7 342	–	–	7 342	7 342
Foreign governments and international organisations	4 573	–	–	(650)	–	–	(650)	3 923
Public corporations and private enterprises	118 389	–	–	(4 196)	–	–	(4 196)	114 193
Non-profit institutions	171 031	–	–	(4 112)	–	–	(4 112)	166 919
Households	29 704	–	–	558	–	–	558	30 262
Payments for capital assets	243 325	4 968	–	5 918	(38 546)	–	(27 660)	215 665
Buildings and other fixed structures	221 626	–	–	(221 626)	–	–	(221 626)	–
Machinery and equipment	7 729	4 968	–	51 473	–	–	56 441	64 170
Heritage assets	9 000	–	–	176 071	(38 546)	–	137 525	146 525
Software and other intangible assets	4 970	–	–	–	–	–	–	4 970
Total	4 449 845	11 893	–	–	(90 000)	–	(78 107)	4 371 738

Programme 1: Administration

Programme Administration								
Subprogramme	Main appropriation	2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	4 603	–	–	–	–	–	–	4 603
Management	46 949	–	–	–	–	–	–	46 949
Corporate Services	82 019	4 968	–	61 520	–	–	66 488	148 507
Office of the CFO	27 184	–	–	2 500	–	–	2 500	29 684
Office Accommodation	105 754	6 925	–	28 000	–	–	34 925	140 679
Total	266 509	11 893	–	92 020	–	–	103 913	370 422

Programme 1: Administration (continued)

Economic classification		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Current payments	258 780	6 925	–	41 547	–	–	48 472	307 252
Compensation of employees	94 060	–	–	–	–	–	–	94 060
Goods and services	164 720	6 925	–	41 547	–	–	48 472	213 192
Payments for capital assets	7 729	4 968	–	50 473	–	–	55 441	63 170
Machinery and equipment	7 729	4 968	–	50 473	–	–	55 441	63 170
Total	266 509	11 893	–	92 020	–	–	103 913	370 422

Programme 2: Institutional Governance

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
International Cooperation	37 279	–	–	(1 900)	–	–	(1 900)	35 379
Social Cohesion and Nation Building	62 259	–	–	(230)	–	–	(230)	62 029
Coordination, Monitoring, Evaluation and Good Governance	38 078	–	–	(7 300)	–	–	(7 300)	30 778
Capital Works	248 335	–	–	(40 555)	(38 546)	–	(79 101)	169 234
Total	385 951	–	–	(49 985)	(38 546)	–	(88 531)	297 420
Economic classification	93 352	–	–	(7 780)	–	–	(7 780)	85 572
Current payments	34 063	–	–	–	–	–	–	34 063
Compensation of employees	59 289	–	–	(7 780)	–	–	(7 780)	51 509
Transfers and subsidies	57 003	–	–	3 350	–	–	3 350	60 353
Departmental agencies and accounts	12 000	–	–	700	–	–	700	12 700
Foreign governments and international organisations	2 708	–	–	(650)	–	–	(650)	2 058
Public corporations and private enterprises	12 000	–	–	–	–	–	–	12 000
Non-profit institutions	20 489	–	–	3 300	–	–	3 300	23 789
Households	9 806	–	–	–	–	–	–	9 806
Payments for capital assets	235 596	–	–	(45 555)	(38 546)	–	(84 101)	151 495
Buildings and other fixed structures	221 626	–	–	(221 626)	–	–	(221 626)	–
Heritage assets	9 000	–	–	176 071	(38 546)	–	137 525	146 525
Software and other intangible assets	4 970	–	–	–	–	–	–	4 970
Total	385 951	–	–	(49 985)	(38 546)	–	(88 531)	297 420

Programme 3: Arts and Culture Promotion and Development

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
National Language Services	50 881	–	–	(201)	–	–	(201)	50 680
Pan South African Language Board	108 634	–	–	–	–	–	–	108 634
Cultural and Creative Industries Development	368 635	–	–	5 000	–	–	5 000	373 635
Performing Arts Institutions	343 967	–	–	(37 520)	(10 000)	–	(47 520)	296 447
National Film and Video Foundation	129 052	–	–	–	–	–	–	129 052
National Arts Council	106 241	–	–	–	–	–	–	106 241
Capital Works of Performing Arts Institutions	46 906	–	–	(19 000)	–	–	(19 000)	27 906
Total	1 154 316	–	–	(51 721)	(10 000)	–	(61 721)	1 092 595

Programme 3: Arts and Culture Promotion and Development (continued)

Economic classification	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	143 281	–	–	(2 543)	–	–	(2 543)	140 738
Compensation of employees	49 014	–	–	–	–	–	–	49 014
Goods and services	94 267	–	–	(2 543)	–	–	(2 543)	91 724
Transfers and subsidies	1 011 035	–	–	(49 178)	(10 000)	–	(59 178)	951 857
Departmental agencies and accounts	753 238	–	–	(45 470)	(10 000)	–	(55 470)	697 768
Higher education institutions	–	–	–	7 342	–	–	7 342	7 342
Public corporations and private enterprises	106 389	–	–	(4 196)	–	–	(4 196)	102 193
Non-profit institutions	137 108	–	–	(7 412)	–	–	(7 412)	129 696
Households	14 300	–	–	558	–	–	558	14 858
Total	1 154 316	–	–	(51 721)	(10 000)	–	(61 721)	1 092 595

Programme 4: Heritage Promotion and Preservation

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Heritage Promotion	89 192	–	–	(3 015)	–	–	(3 015)	86 177
National Archive Services	44 771	–	–	4 003	–	–	4 003	48 774
Heritage Institutions	750 777	–	–	28 000	(41 454)	–	(13 454)	737 323
National Library Services	181 694	–	–	(19 000)	–	–	(19 000)	162 694
Public Library Services	1 447 230	–	–	–	–	–	–	1 447 230
South African Heritage Resources Agency	59 861	–	–	–	–	–	–	59 861
South African Geographical Names Council	4 891	–	–	(302)	–	–	(302)	4 589
National Heritage Council	64 653	–	–	–	–	–	–	64 653
Total	2 643 069	–	–	9 686	(41 454)	–	(31 768)	2 611 301
Economic classification								
Current payments	135 956	–	–	(314)	–	–	(314)	135 642
Compensation of employees	55 327	–	–	–	–	–	–	55 327
Goods and services	80 629	–	–	(314)	–	–	(314)	80 315
Transfers and subsidies	2 507 113	–	–	9 000	(41 454)	–	(32 454)	2 474 659
Provinces and municipalities	1 419 960	–	–	–	–	–	–	1 419 960
Departmental agencies and accounts	1 066 256	–	–	9 000	(41 454)	–	(32 454)	1 033 802
Foreign governments and international organisations	1 865	–	–	–	–	–	–	1 865
Non-profit institutions	13 434	–	–	–	–	–	–	13 434
Households	5 598	–	–	–	–	–	–	5 598
Payments for capital assets	–	–	–	1 000	–	–	1 000	1 000
Machinery and equipment	–	–	–	1 000	–	–	1 000	1 000
Total	2 643 069	–	–	9 686	(41 454)	–	(31 768)	2 611 301

Details of adjustments to Estimates of National Expenditure 2017**Roll-overs – R11.893 million****Programme 1: Administration**

R11.893 million has been rolled over for ICT servers and software, leases and municipal charges for the department's new office building.

Virements and shifts within votes

Programmes

1. Administration
2. Institutional Governance
3. Arts and Culture Promotion and Development
4. Heritage Promotion and Preservation

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(246 406)	Programme 3		7 600
Goods and services	National Heroes Acre project	(7 600)	Goods and services	OR Tambo centenary cultural programme and closing ceremony	7 600
	Cost containment measures effected on agency and outsourced services	(5 830)	Programme 1		5 830
			Goods and services	Audit and rental costs for the department's new building	5 830
Non-profit institutions	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(1 000)	Programme 2		1 700
	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(700)	Goods and services	Capacity development workshops and youth development projects	1 000
Heritage assets	Heritage projects ¹	(9 000)	Departmental agencies and accounts	Constitutional Hill youth projects ¹	700
			Programme 1		9 000
Buildings and other fixed structures	Ingquza Hill and Liberation Heritage Route projects ¹	(4 000)	Goods and services	Rental costs for the department's new office building	9 000
	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(185 071)	Programme 2		189 071
	Heritage projects ¹	(2 400)	Goods and services	Steve Biko 40th anniversary commemoration ceremony and Matola memorial	4 000
	Heritage projects ¹	(5 155)	Heritage assets	Heritage projects	185 071
			Programme 3		2 400
			Goods and services	OR Tambo centenary cultural programme and closing ceremony	2 400
			Programme 4		6 155
			Goods and services	Maintenance of the National Archives and Records Service of South Africa and National Film, Video and Sound archives; OR Tambo centenary celebrations; preservation of the national archives; and software licences	5 155
	Heritage projects	(1 000)	Machinery and equipment	Audiovisual equipment	1 000
	Liberation Heritage Route project, statue of King Cetshwayo and cultural precinct in Isandlwana, and Gumtree Mill project ¹	(16 047)	Programme 1		24 000
	Heritage projects	(7 953)	Goods and services	Relocation costs	16 047
			Machinery and equipment	Computer equipment and office furniture	7 953
			Programme 2		650
Foreign governments and international organisations	Commonwealth Foundation membership fees ¹	(650)	Goods and services	Travel and subsistence	650
Shifts within the programme as a percentage of the programme budget		49.6%			
Virements to other programmes as a percentage of the programme budget		14.2% ²			
Programme 3		(100 783)	Programme 3		7 342
Goods and services	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(7 342)	Higher education institutions	Human language technologies projects ¹	7 342
	Legal services, and cost containment measures effected on agency and outsourced services ¹	(5 201)	Programme 1		5 201
			Goods and services	Rental costs for the department's new office building	5 201
Non-profit institutions	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(10 133)	Programme 3		16 391
	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(558)	Public corporations and private enterprises	Mzansi Golden Economy workstreams ¹	10 133
	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(5 700)	Households	Mzansi Golden Economy workstreams ¹	558
			Departmental agencies and accounts	Mzansi Golden Economy workstreams ¹	5 700

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Departmental agencies and accounts	Performing Arts Centre of the Free State ²	(21 000)	Programme 4		21 000
	Capital works projects at performing arts institutions ²	(36 520)	Departmental agencies and accounts	New building for the Robben Island Museum Mayibuye archive ¹	21 000
Public corporations and private enterprises	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(1 350)	Programme 1		36 520
	Reclassification of funds incorrectly classified in the 2017 ENE ¹	(6 979)	Machinery and equipment	Evacuation equipment, ICT equipment, office furniture and security systems for the department's new building	36 520
	Community arts projects ²	(6 000)	Programme 3		8 329
			Departmental agencies and accounts	Upgrades to community arts centres ¹	1 350
			Non-profit institutions	Upgrades to community arts centres ¹	6 979
			Programme 1		6 000
			Machinery and equipment	Relocation costs	6 000
Shifts within the programme as a percentage of the programme budget		2.8%			
Virements to other programmes as a percentage of the programme budget		6.0%			
Programme 4		(17 469)	Programme 1		5 469
Goods and services	Cost containment measures effected on agency and outsourced services, and travel and subsistence	(5 469)	Goods and services	Rental costs for the department's new office building	5 469
Departmental agencies and accounts	Capital transfer to the National Library of South Africa ²	(5 000)	Programme 2		5 000
	Capital transfer to the National Library of South Africa ²	(5 000)	Non-profit institutions	Building repairs and maintenance ¹	5 000
	Capital transfer to the National Library of South Africa ²	(2 000)	Programme 3		7 000
			Departmental agencies and accounts	Maintenance of the South African State Theatre ¹	5 000
			Non-profit institutions	Upgrades to the Northern Cape Theatre ¹	2 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.7%			
Total		(364 658)			364 658

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

Declared unspent funds – R90 million

Programme 2: Institutional Governance

R32 million in unspent funds has been declared on capital works projects at the national archives due to disputes between the Department of Arts and Culture, the Department of Public Works and the Independent Development Trust.

R6.546 million in unspent funds has been declared on the capital project at the Isibhubhu Cultural Arena due to disputes between the Department of Arts and Culture, the Department of Public Works and the Independent Development Trust.

Programme 3: Arts and Culture Promotion and Development

R10 million in unspent funds has been declared on capital works projects at performing arts institutions due to funds not yet transferred as a result of the non-submission of business plans for new capital projects as required by the department's infrastructure policy.

Programme 4: Heritage Promotion and Preservation

R41.454 million in unspent funds has been declared on capital works allocations to heritage institutions due to slow spending:

R20 million from Iziko Museums

R1 million from KwaZulu-Natal Museum

R2 million from National Museum

R18.454 million from Robben Island Museum.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	% of adjusted appropriation	Apr 16 - Mar 17	% of adjusted appropriation	Adjusted appropriation/ Total (%)	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	% of adjusted appropriation
R thousand									
Administration	262 601	146 050	55.6	242 684	92.4	370 422	8.5	111 374	30.1
Institutional Governance	325 217	94 864	29.2	192 230	59.1	297 420	6.8	70 477	23.7
Arts and Culture Promotion and Development	1 068 236	606 684	56.8	1 099 327	102.9	1 092 595	25.0	514 549	47.1
Heritage Promotion and Preservation	2 406 518	1 128 654	46.9	2 423 226	100.7	2 611 301	59.7	1 356 304	51.9
Total	4 062 572	1 976 252	48.6	3 957 467	97.4	4 371 738	100.0	2 052 704	47.0
Economic classification									
Current payments	582 645	296 766	50.9	541 184	92.9	669 204	15.3	236 714	35.4
Compensation of employees	238 342	114 198	47.9	225 906	94.8	232 464	5.3	113 799	49.0
Goods and services	344 303	182 568	53.0	315 187	91.5	436 740	10.0	122 915	28.1
Interest and rent on land	–	–	–	91	–	–	0.0	–	–
Transfers and subsidies	3 272 319	1 628 807	49.8	3 313 247	101.3	3 486 869	79.8	1 780 876	51.1
Provinces and municipalities	1 357 132	652 948	48.1	1 357 133	100.0	1 419 960	32.5	710 211	50.0
Departmental agencies and accounts	1 569 815	782 236	49.8	1 626 212	103.6	1 744 270	39.9	931 628	53.4
Higher education institutions	6 180	–	0.0	6 171	99.9	7 342	0.2	150	2.0
Foreign governments and international organisations	4 203	1 963	46.7	14 891	354.3	3 923	0.1	1 899	48.4
Public corporations and private enterprises	104 296	69 181	66.3	129 147	123.8	114 193	2.6	52 208	45.7
Non-profit institutions	205 626	105 607	51.4	155 621	75.7	166 919	3.8	70 203	42.1
Households	25 067	16 873	67.3	24 072	96.0	30 262	0.7	14 577	48.2
Payments for capital assets	207 608	50 600	24.4	102 940	49.6	215 665	4.9	35 019	16.2
Buildings and other fixed structures	186 913	49 067	26.3	93 990	50.3	–	0.0	–	–
Machinery and equipment	10 312	847	8.2	4 584	44.5	64 170	1.5	6 317	9.8
Heritage assets	2 000	–	0.0	–	0.0	146 525	3.4	28 702	19.6
Software and other intangible assets	8 383	686	8.2	4 366	52.1	4 970	0.1	–	0.0
Payments for financial assets	–	78	–	96	–	–	0.0	95	0.0
Total	4 062 572	1 976 252	48.6	3 957 467	97.4	4 371 738	100.0	2 052 704	47.0

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R4 billion, or 97.4 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R2.1 billion, or 47 per cent of the adjusted appropriation of R4.4 billion for the year. In comparison, mid-year expenditure in 2016/17 was R2 billion, or 48.6 per cent of the adjusted appropriation for the year. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R76.5 million, or 3.9 per cent. This is due to increased spending on transfers and subsidies to departmental agencies and accounts.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	2 342	1 031	44.0	1 262	53.9	1 940	1 288	100.0	436	33.9
Sales of goods and services produced by department	305	167	54.8	298	97.7	360	409	31.8	178	43.5
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	3	14	1.1	13	92.9
Transfers received	–	–	–	–	–	–	244	18.9	–	0.0
Interest, dividends and rent on land	11	2	18.2	40	363.6	7	11	0.9	2	18.2
Sales of capital assets	–	–	–	–	–	–	300	23.3	220	73.3
Transactions in financial assets and liabilities	2 026	862	42.5	924	45.6	1 570	310	24.1	23	7.4
Total	2 342	1 031	44.0	1 262	53.9	1 940	1 288	100.0	436	33.9

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R436 000, or 33.9 per cent of the adjusted revenue estimate of R1.3 million for the year. In comparison, mid-year revenue in 2016/17 was R1 million, or 44 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R595 000, or 57.7 per cent. This is due to a recovery of R849 000 received in 2016/17 from the Government Communication and Information System for unspent funds on advertising and other campaigns.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation
Institutional Governance							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	–	–	–	700	–	–	700
Constitutional Hill	–	–	–	700	–	–	700
Foreign governments and international organisations							
Current	2 708	–	–	(650)	–	–	(650)
Commonwealth Foundation	2 708	–	–	(650)	–	–	(650)
Non-profit institutions							
Current	13 890	–	–	(1 700)	–	–	(1 700)
Various institutions: Facilitation of public funds for arts and youth development projects	13 890	–	–	(1 700)	–	–	(1 700)
Capital	489	–	–	5 000	–	–	5 000
Adams College	489	–	–	1 900	–	–	1 900
Steve Biko Foundation	–	–	–	3 100	–	–	3 100
Arts and Culture Promotion and Development							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	9 300	–	–	5 700	–	–	5 700
Various Institutions: Mzansi golden economy (Artists in schools)	1 300	–	–	2 700	–	–	2 700
Performing Arts Institutions: Mzansi golden economy (Incubators entrepreneur and local content development)	8 000	–	–	3 000	–	–	3 000
Capital	92 770	–	–	(51 170)	(10 000)	–	(61 170)
Artscape: Capital works projects	30 000	–	–	(13 520)	–	–	(13 520)
The Playhouse Company: Capital works projects	4 770	–	–	(3 000)	–	–	(3 000)
Performing Arts Centre of the Free State: Capital works projects	21 000	–	–	(21 000)	–	–	(21 000)
The Market Theatre: Capital works projects	22 000	–	–	–	(10 000)	–	(10 000)
National Film and Video Foundation: Capital Works Projects	15 000	–	–	(15 000)	–	–	(15 000)
Provincial Departmental Agencies	–	–	–	1 350	–	–	1 350

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

	2017/18							
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Higher education institutions								
Current	–	–	–	7 342	–	–	7 342	7 342
Human languages technologies projects	–	–	–	7 342	–	–	7 342	7 342
Public corporations and private enterprises								
Public corporations								
Other transfers								
Capital	–	–	–	9 777	–	–	9 777	9 777
North West Development Cooperation	–	–	–	1 676	–	–	1 676	1 676
Mpumalanga Economic Growth Agency	–	–	–	8 101	–	–	8 101	8 101
Public corporations and private enterprises								
Private enterprises								
Other transfers								
Current	49 800	–	–	10 133	–	–	10 133	59 933
Mzansi golden economy: Public art	1 000	–	–	500	–	–	500	1 500
Various Institutions: Mzansi golden economy (Cultural events)	40 000	–	–	5 000	–	–	5 000	45 000
Various Institutions: Mzansi golden economy (Touring ventures)	7 500	–	–	4 600	–	–	4 600	12 100
Various Institutions: Mzansi golden economy (Artists in schools)	1 300	–	–	33	–	–	33	1 333
Capital	27 906	–	–	(24 106)	–	–	(24 106)	3 800
Capital works projects	27 906	–	–	(24 106)	–	–	(24 106)	3 800
Non-profit institutions								
Current	121 652	–	–	(16 391)	–	–	(16 391)	105 261
Mzansi golden economy: Public art	3 000	–	–	(500)	–	–	(500)	2 500
Various Institutions: Mzansi golden economy (Cultural events)	53 200	–	–	(401)	–	–	(401)	52 799
Various Institutions: Mzansi golden economy (Touring ventures)	11 000	–	–	(4 757)	–	–	(4 757)	6 243
Various Institutions: Mzansi golden economy (National Cultural Industries Skills Academy)	16 599	–	–	(3 700)	–	–	(3 700)	12 899
Various Institutions: Mzansi golden economy (Artists in schools)	12 400	–	–	(2 733)	–	–	(2 733)	9 667
Various Institutions: Mzansi golden economy (Community arts development)	9 366	–	–	(2 500)	–	–	(2 500)	6 866
Arts and Culture Industries: Local market development and promotion	9 000	–	–	700	–	–	700	9 700
Arts and Culture Industries: Community arts development	7 087	–	–	(2 500)	–	–	(2 500)	4 587
Capital	–	–	–	8 979	–	–	8 979	8 979
Northern Cape Theatre	–	–	–	2 000	–	–	2 000	2 000
Non Profit Organisations	–	–	–	6 979	–	–	6 979	6 979
Households								
Other transfers to households								
Current	6 000	–	–	558	–	–	558	6 558
Various Institutions: Mzansi golden economy (Cultural events)	1 500	–	–	401	–	–	401	1 901
Various Institutions: Mzansi golden economy (Touring ventures)	4 500	–	–	157	–	–	157	4 657
Heritage Promotion and Preservation								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Capital	113 905	–	–	9 000	(41 454)	–	(32 454)	81 451
Iziko Museums: Cape Town (Capital works projects)	68 537	–	–	–	(20 000)	–	(20 000)	48 537
KwaZulu-Natal Museum: Pietermaritzburg (Capital works projects)	1 000	–	–	–	(1 000)	–	(1 000)	–
National Museum: Bloemfontein (Capital works projects)	2 000	–	–	–	(2 000)	–	(2 000)	–
Robben Island Museum: Cape Town (Capital works projects)	10 454	–	–	28 000	(18 454)	–	9 546	20 000
National Library of South Africa: Capital works projects	31 914	–	–	(19 000)	–	–	(19 000)	12 914

Vote 38

Human Settlements

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	33 464 300	33 477 701	(4 488)	17 889
Current payments	777 354	772 866	(4 488)	–
Transfers and subsidies	32 531 261	32 531 943	–	682
Payments for capital assets	5 685	22 842	–	17 157
Payments for financial assets	150 000	150 050	–	50
Executive authority	Minister of Human Settlements			
Accounting officer	Director-General of Human Settlements			
Website address	www.dhs.gov.za			

Vote purpose

Facilitate the creation of sustainable human settlements and the improvement to household quality of life.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of municipalities provided with technical assistance for informal settlement upgrading per year	Human Settlements Delivery Support	Outcome 8: Sustainable human settlements and improved quality of household life	41	14	–
Number of informal settlements with settlement upgrading plans per year	Human Settlements Delivery Support		446	87	–
Number of title deeds registered to eradicate backlog per year	Housing Development Finance		207 146	10 148 ¹	–
Number of title deeds registered for new developments per year	Housing Development Finance		170 240	4 896 ¹	–
Number of additional People's Housing Process subsidies allocated to approved beneficiaries per year	Housing Development Finance		7 500	898 ¹	–
Number of subsidy housing units completed per year	Housing Development Finance		113 341	13 850 ¹	–
Number of additional households living in affordable rental housing units per year	Housing Development Finance		13 920	451 ¹	–
Number of households benefiting from informal settlements upgraded to level 2 per year	Housing Development Finance		189 039	25 130 ¹	–
Number of finance-linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance		17 231	708 ²	–
Number of integrated and catalytic projects initiated per year	Housing Development Finance		8	3 ¹	–

1. Only data for the first quarter of 2017/18 is available.

2. Only data for the first five months of 2017/18 is available.

Mid-year progress

In the first six months of the financial year, 14 municipalities were provided with technical assistance to upgrade informal settlements against an annual target of 41, and only 87 out of 446 targeted informal settlements have settlement upgrading plans. This slow performance is mainly due to delays in appointing new professional resource teams under the national upgrading support programme.

In the first quarter of 2017/18, the department completed 13 850 housing subsidy units against an annual target of 113 341, for which 4 896 title deeds were registered. A further 10 148 title deeds were delivered in the first quarter to address the historic backlog from before 2014. By the end of June, 25 130 households in

informal settlements against an annual target of 189 039 had been upgraded, and 451 affordable rental housing units delivered out of a target of 13 920 for the year.

In the first five months of 2017/18, the department disbursed 708 finance-linked individual subsidies to beneficiaries out of the annual target of 17 231.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	457 665	13 401	–	(1 060)	–	–	12 341	470 006
Human Settlements Policy, Strategy and Planning	93 573	–	–	–	–	–	–	93 573
Human Settlements Delivery Support	217 302	–	–	(440)	–	–	(440)	216 862
Housing Development Finance	32 695 760	–	–	1 500	–	–	1 500	32 697 260
Total	33 464 300	13 401	–	–	–	–	13 401	33 477 701
Economic classification								
Current payments	777 354	–	–	(4 488)	–	–	(4 488)	772 866
Compensation of employees	383 257	–	–	–	–	–	–	383 257
Goods and services	394 097	–	–	(4 488)	–	–	(4 488)	389 609
Transfers and subsidies	32 531 261	–	–	682	–	–	682	32 531 943
Provinces and municipalities	31 351 590	–	–	–	–	–	–	31 351 590
Departmental agencies and accounts	1 167 031	–	–	–	–	–	–	1 167 031
Foreign governments and international organisations	1 272	–	–	203	–	–	203	1 475
Public corporations and private enterprises	1 500	–	–	–	–	–	–	1 500
Households	9 868	–	–	479	–	–	479	10 347
Payments for capital assets	5 685	13 401	–	3 756	–	–	17 157	22 842
Machinery and equipment	5 685	13 401	–	3 756	–	–	17 157	22 842
Payments for financial assets	150 000	–	–	50	–	–	50	150 050
Total	33 464 300	13 401	–	–	–	–	13 401	33 477 701

Programme 1: Administration

Programme Administration								
Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Ministry	63 488	–	–	–	–	–	–	63 488
Departmental Management	101 479	–	–	(1 500)	–	–	(1 500)	99 979
Corporate Services	196 055	13 401	–	440	–	–	13 841	209 896
Property Management	41 097	–	–	–	–	–	–	41 097
Financial Management	55 546	–	–	–	–	–	–	55 546
Total	457 665	13 401	–	(1 060)	–	–	12 341	470 006
Economic classification								
Current payments	454 137	–	–	(4 412)	–	–	(4 412)	449 725
Compensation of employees	224 770	–	–	–	–	–	–	224 770
Goods and services	229 367	–	–	(4 412)	–	–	(4 412)	224 955
Transfers and subsidies	46	–	–	235	–	–	235	281
Households	46	–	–	235	–	–	235	281
Payments for capital assets	3 482	13 401	–	3 067	–	–	16 468	19 950
Machinery and equipment	3 482	13 401	–	3 067	–	–	16 468	19 950
Payments for financial assets	–	–	–	50	–	–	50	50
Total	457 665	13 401	–	(1 060)	–	–	12 341	470 006

Programme 2: Human Settlements Policy, Strategy and Planning

Subprogramme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Management for Policy, Strategy and Planning	7 730	–	–	–	–	–	–	7 730
Human Settlements Policy Frameworks	32 143	–	–	–	–	–	–	32 143
Human Settlements Strategy and Planning	53 700	–	–	–	–	–	–	53 700
Total	93 573	–	–	–	–	–	–	93 573

Programme 2: Human Settlements Policy, Strategy and Planning (continued)

Economic classification		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Current payments	89 908	–	–	(723)	–	–	(723)	89 185
Compensation of employees	63 892	–	–	–	–	–	–	63 892
Goods and services	26 016	–	–	(723)	–	–	(723)	25 293
Transfers and subsidies	2 772	–	–	324	–	–	324	3 096
Foreign governments and international organisations	1 272	–	–	203	–	–	203	1 475
Public corporations and private enterprises	1 500	–	–	–	–	–	–	1 500
Households	–	–	–	121	–	–	121	121
Payments for capital assets	893	–	–	399	–	–	399	1 292
Machinery and equipment	893	–	–	399	–	–	399	1 292
Total	93 573	–	–	–	–	–	–	93 573

Programme 3: Human Settlements Delivery Support

Subprogramme		2017/18						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Management for Human Settlements Delivery Support	9 403	–	–	–	–	–	–	9 403
Programme Management Unit	159 731	–	–	(440)	–	–	(440)	159 291
Chief of Operations	48 168	–	–	–	–	–	–	48 168
Total	217 302	–	–	(440)	–	–	(440)	216 862
Economic classification								
Current payments	206 399	–	–	(743)	–	–	(743)	205 656
Compensation of employees	74 700	–	–	–	–	–	–	74 700
Goods and services	131 699	–	–	(743)	–	–	(743)	130 956
Transfers and subsidies	9 822	–	–	123	–	–	123	9 945
Households	9 822	–	–	123	–	–	123	9 945
Payments for capital assets	1 081	–	–	180	–	–	180	1 261
Machinery and equipment	1 081	–	–	180	–	–	180	1 261
Total	217 302	–	–	(440)	–	–	(440)	216 862

Programme 4: Housing Development Finance

Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Management for Housing Development Finance	4 082	—	—	—	—	—	—	4 082
Chief Investment Officer	23 057	—	—	1 500	—	—	1 500	24 557
Human Settlements Development Grant	19 969 343	—	—	—	—	—	—	19 969 343
Contributions	1 317 031	—	—	—	—	—	—	1 317 031
Urban Settlements Development Grant	11 382 247	—	—	—	—	—	—	11 382 247
Total	32 695 760	—	—	1 500	—	—	1 500	32 697 260
Economic classification								
Current payments	26 910	—	—	1 390	—	—	1 390	28 300
Compensation of employees	19 895	—	—	—	—	—	—	19 895
Goods and services	7 015	—	—	1 390	—	—	1 390	8 405
Transfers and subsidies	32 518 621	—	—	—	—	—	—	32 518 621
Provinces and municipalities	31 351 590	—	—	—	—	—	—	31 351 590
Departmental agencies and accounts	1 167 031	—	—	—	—	—	—	1 167 031
Payments for capital assets	229	—	—	110	—	—	110	339
Machinery and equipment	229	—	—	110	—	—	110	339
Payments for financial assets	150 000	—	—	—	—	—	—	150 000
Total	32 695 760	—	—	1 500	—	—	1 500	32 697 260

Details of adjustments to Estimates of National Expenditure 2017

Roll-overs – R13.401 million

Programme 1: Administration

R13.401 million has been rolled over to pay for ICT network equipment.

Virements and shifts within votes

Programmes					
1. Administration					
2. Human Settlements Policy, Strategy and Planning					
3. Human Settlements Delivery Support					
4. Housing Development Finance					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(4 852)	Programme 1		3 352
Goods and services	Various non-core goods and services items	(3 067)	Machinery and equipment	Office equipment	3 067
	Various non-core goods and services items	(235)	Households	Leave gratuities	235
	Various non-core goods and services items	(50)	Payments for financial assets	Vehicle damages and loss of equipment	50
	Various non-core goods and services items	(1 500)	Programme 4		1 500
			Goods and services	Review of national tender system	1 500
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		0.3%			
Programme 2		(723)	Programme 2		723
Goods and services	Various non-core goods and services items	(399)	Machinery and equipment	Office equipment	399
	Various non-core goods and services items	(121)	Households	Leave gratuities	121
	Various non-core goods and services items	(203)	Foreign governments and international organisations	UN-Habitat membership fees ¹	203
Shifts within the programme as a percentage of the programme budget		0.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(743)	Programme 1		440
Goods and services	Various non-core goods and services items	(440)	Goods and services	Amendments to the Rental Housing Amendment Act (2014)	440
	Various non-core goods and services items	(180)	Programme 3		303
	Various non-core goods and services items	(123)	Machinery and equipment	Office equipment	180
			Households	Leave gratuities	123
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.2%			
Programme 4		(110)	Programme 4		110
Goods and services	Various non-core goods and services items	(110)	Machinery and equipment	Office equipment	110
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%			
Total		(6 428)			6 428

1. National Treasury approval has been obtained.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	455 458	197 641	43.4	420 897	92.4	470 006	1.4	197 919	42.1
Human Settlements Policy, Strategy and Planning	92 276	35 457	38.4	86 600	93.8	93 573	0.3	38 318	40.9
Human Settlements Delivery Support	217 685	58 908	27.1	151 742	69.7	216 862	0.6	61 311	28.3
Housing Development Finance	29 930 937	12 737 748	42.6	29 927 992	100.0	32 697 260	97.7	12 766 104	39.0
Total	30 696 356	13 029 754	42.4	30 587 231	99.6	33 477 701	100.0	13 063 652	39.0
Economic classification									
Current payments	745 966	295 589	39.6	657 797	88.2	772 866	2.3	303 841	39.3
Compensation of employees	371 491	160 312	43.2	325 288	87.6	383 257	1.1	166 615	43.5
Goods and services	374 463	135 265	36.1	332 497	88.8	389 609	1.2	137 226	35.2
Interest and rent on land	12	12	100.0	12	100.0	–	0.0	–	–
Transfers and subsidies	29 823 992	12 631 002	42.4	29 822 601	100.0	32 531 943	97.2	12 608 096	38.8
Provinces and municipalities	29 123 459	12 512 111	43.0	29 123 459	100.0	31 351 590	93.6	12 420 884	39.6
Departmental agencies and accounts	685 895	115 392	16.8	685 895	100.0	1 167 031	3.5	183 449	15.7
Foreign governments and international organisations	1 924	–	0.0	1 923	99.9	1 475	0.0	–	0.0
Public corporations and private enterprises	5 000	–	0.0	5 000	100.0	1 500	0.0	1 703	113.5
Households	7 714	3 499	45.4	6 324	82.0	10 347	0.0	2 060	19.9
Payments for capital assets	26 168	3 153	12.0	6 611	25.3	22 842	0.1	1 628	7.1
Machinery and equipment	26 168	3 153	12.0	6 611	25.3	22 842	0.1	1 628	7.1
Payments for financial assets	100 230	100 010	99.8	100 222	100.0	150 050	0.4	150 087	100.0
Total	30 696 356	13 029 754	42.4	30 587 231	99.6	33 477 701	100.0	13 063 652	39.0

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R30.6 billion, or 99.6 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R13.1 billion, or 39 per cent of the adjusted appropriation of R33.5 billion for the year. In comparison, mid-year expenditure in 2016/17 was R13 billion, or 42.4 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R33.9 million, or 0.3 per cent. This is attributed to an increase in payments for financial assets and transfer payments to departmental agencies.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	764	339	44.4	539	70.5	235	452	100.0	229	50.7
Sales of goods and services produced by department	205	100	48.8	201	98.0	217	208	46.0	101	48.6
Sales of scrap, waste, arms and other used current goods	2	1	50.0	3	150.0	5	2	0.4	2	100.0
Interest, dividends and rent on land	12	6	50.0	20	166.7	13	22	4.9	11	50.0
Transactions in financial assets and liabilities	545	232	42.6	315	57.8	–	220	48.7	115	52.3
Total	764	339	44.4	539	70.5	235	452	100.0	229	50.7

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R229 000, or 50.7 per cent of the adjusted revenue estimate of R452 000 for the year. In comparison, mid-year revenue in 2016/17 was R339 000, or 44.4 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 decreased by R110 000, or 32.4 per cent. This is mainly due to a once off spike in funds recovered from staff for damages to vehicles and the loss of assets in 2016/17.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2017/18						
	Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	
Administration							
Households							
Other transfers to households							
Current	–	–	–	235	–	–	235
Transfers to households	–	–	–	235	–	–	235
Human Settlements Policy, Strategy and Planning							
Foreign governments and international organisations							
Current	1 272	–	–	203	–	–	1 475
Habitat Foundation	1 272	–	–	203	–	–	1 475
Households							
Other transfers to households							
Current	–	–	–	121	–	–	121
Transfers to households	–	–	–	121	–	–	121
Human Settlements Delivery							
Support							
Households							
Other transfers to households							
Current	–	–	–	123	–	–	123
Transfers to households	–	–	–	123	–	–	123

Vote 39

Rural Development and Land Reform

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	10 184 240	10 184 240	(24 018)	24 018
Current payments	3 910 050	3 922 442	–	12 392
Transfers and subsidies	6 249 257	6 225 239	(24 018)	–
Payments for capital assets	24 933	36 559	–	11 626
Executive authority	Minister of Rural Development and Land Reform			
Accounting officer	Director-General of Rural Development and Land Reform			
Website address	www.ruraldevelopment.gov.za			

Vote purpose

Create and maintain an equitable and sustainable land dispensation, and act as a catalyst in rural development, to ensure sustainable rural livelihoods, decent work and continued social and economic advancement for all South Africans.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of new agricultural enterprises supported in the 44 districts aligned to agri-parks ¹	Rural Development	Outcome 7: Comprehensive rural development and land reform	141	56	–
Number of skills development opportunities provided in rural development initiatives ²	Rural Development				
- rural enterprise and industrial development			3 000	2 005	–
- rural infrastructure development			3 612	1 598	–
Number of infrastructure projects facilitated to support production ³	Rural Development		120	56	–
Number of land claims finalised per year	Restitution		1 001	276	–
Number of hectares acquired per year	Land Reform		96 165 ha	82 316 ha	–
Number of farms under recapitalisation and development per year	Land Reform		369	– ⁴	–

1. Indicator changed to align with indicator published in the department's 2017/18 annual performance plan, which was finalised after the 2017 ENE had been published.

2. Indicator differs from indicator published in the department's 2017/18 annual performance plan to accommodate the monitoring of wide range of skills offered by the department instead of focusing only on the national rural youth service corps.

3. Indicator differs from indicator published in the department's 2017/18 annual performance plan to focus on new infrastructure projects facilitated to support the making of farms productive and ensuring access to amenities.

4. Indicator and target will no longer be measured by the department following the transfer of the recapitalisation function to the Department of Agriculture, Forestry and Fisheries. Indicator was not published in the department's 2017/18 annual performance plan.

Mid-year progress

The department supported 56 new agricultural enterprises in the first six months of 2017/18 against the annual target of 141. Despite this slow performance, the department is set to achieve its annual target by end of the financial year.

The target for number of land claims finalised per year was changed from 1 001 to 724 in the department's 2017/18 annual performance plan. In its efforts to restore land rights or alternative forms of equitable redress to claimants, within the first six months of the year, the commission finalised 276 out of the targeted 724 claims, mainly due to landowners not accepting offers to purchase.

The department acquired 82 316 hectares in the first six months of the financial year against the annual target of 96 165 hectares as a result of better planning and coordination between national and regional offices.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand							
Administration	1 721 620	–	–	14 170	–	–	1 735 790
National Geomatics Management Services	672 117	–	–	(10 839)	–	–	661 278
Rural Development	1 914 896	–	–	(7 414)	–	–	1 907 482
Restitution	3 247 384	–	–	(7 934)	–	–	3 239 450
Land Reform	2 628 223	–	–	12 017	–	–	2 640 240
Total	10 184 240	–	–	–	–	–	10 184 240
Economic classification							
Current payments	3 910 050	–	–	12 392	–	–	3 922 442
Compensation of employees	2 194 584	–	–	–	–	–	2 194 584
Goods and services	1 715 466	–	–	12 392	–	–	1 727 858
Transfers and subsidies	6 249 257	–	–	(24 018)	–	–	6 225 239
Provinces and municipalities	67 542	–	–	27 457	–	–	94 999
Departmental agencies and accounts	1 493 134	–	–	(56 204)	–	–	1 436 930
Foreign governments and international organisations	1 653	–	–	–	–	–	1 653
Public corporations and private enterprises	1	–	–	–	–	–	1
Non-profit institutions	3 492	–	–	–	–	–	3 492
Households	4 683 435	–	–	4 729	–	–	4 688 164
Payments for capital assets	24 933	–	–	11 626	–	–	36 559
Machinery and equipment	24 004	–	–	12 555	–	–	36 559
Software and other intangible assets	929	–	–	(929)	–	–	–
Total	10 184 240	–	–	–	–	–	10 184 240

Programme 1: Administration

		2017/18						
Subprogramme		Adjustments appropriation						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Ministry	37 829	–	–	4 916	–	–	4 916	42 745
Management	163 918	–	–	7 313	–	–	7 313	171 231
Internal Audit	39 207	–	–	114	–	–	114	39 321
Corporate Services	420 917	–	–	(8 453)	–	–	(8 453)	412 464
Financial Services	190 103	–	–	(3 680)	–	–	(3 680)	186 423
Provincial Coordination	337 656	–	–	13 960	–	–	13 960	351 616
Office Accommodation	531 990	–	–	–	–	–	–	531 990
Total	1 721 620	–	–	14 170	–	–	14 170	1 735 790
Economic classification								
Current payments	1 709 788	–	–	12 539	–	–	12 539	1 722 327
Compensation of employees	736 666	–	–	2 612	–	–	2 612	739 278
Goods and services	973 122	–	–	9 927	–	–	9 927	983 049
Transfers and subsidies	137	–	–	432	–	–	432	569
Provinces and municipalities	31	–	–	–	–	–	–	31
Households	106	–	–	432	–	–	432	538
Payments for capital assets	11 695	–	–	1 199	–	–	1 199	12 894
Machinery and equipment	11 695	–	–	1 199	–	–	1 199	12 894
Total	1 721 620	–	–	14 170	–	–	14 170	1 735 790

Programme 2: National Geomatics Management Services

Subprogramme	2017/18							
	Main appropriation	Adjustments appropriation					Adjusted appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand								
National Geomatics Management Services	496 536	–	–	(2 140)	–	–	(2 140)	494 396
Spatial Planning and Land Use Management	168 089	–	–	(8 699)	–	–	(8 699)	159 390
South African Council for Planners	3 492	–	–	–	–	–	–	3 492
South African Geomatics Council	4 000	–	–	–	–	–	–	4 000
Total	672 117	–	–	(10 839)	–	–	(10 839)	661 278

Programme 2: National Geomatics Management Services (continued)

Economic classification		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Current payments	632 198	–	–	(14 481)	–	–	(14 481)	617 717
Compensation of employees	491 403	–	–	(4 281)	–	–	(4 281)	487 122
Goods and services	140 795	–	–	(10 200)	–	–	(10 200)	130 595
Transfers and subsidies	34 964	–	–	285	–	–	285	35 249
Provinces and municipalities	13	–	–	3	–	–	3	16
Departmental agencies and accounts	4 000	–	–	–	–	–	–	4 000
Foreign governments and international organisations	1 653	–	–	–	–	–	–	1 653
Non-profit institutions	3 492	–	–	–	–	–	–	3 492
Households	25 806	–	–	282	–	–	282	26 088
Payments for capital assets	4 955	–	–	3 357	–	–	3 357	8 312
Machinery and equipment	4 026	–	–	4 286	–	–	4 286	8 312
Software and other intangible assets	929	–	–	(929)	–	–	(929)	–
Total	672 117	–	–	(10 839)	–	–	(10 839)	661 278

Programme 3: Rural Development

Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Rural Infrastructure Development	924 325	—	—	(7 151)	—	—	(7 151)	917 174
Rural Enterprise and Industrial Development	553 051	—	—	1 513	—	—	1 513	554 564
National Rural Youth Services Corps	437 520	—	—	(1 776)	—	—	(1 776)	435 744
Total	1 914 896	—	—	(7 414)	—	—	(7 414)	1 907 482
Economic classification								
Current payments	355 867	—	—	31 953	—	—	31 953	387 820
Compensation of employees	293 732	—	—	(7 414)	—	—	(7 414)	286 318
Goods and services	62 135	—	—	39 367	—	—	39 367	101 502
Transfers and subsidies	1 554 457	—	—	(40 423)	—	—	(40 423)	1 514 034
Households	1 554 457	—	—	(40 423)	—	—	(40 423)	1 514 034
Payments for capital assets	4 572	—	—	1 056	—	—	1 056	5 628
Machinery and equipment	4 572	—	—	1 056	—	—	1 056	5 628
Total	1 914 896	—	—	(7 414)	—	—	(7 414)	1 907 482

Programme 4: Restitution

Subprogramme		2017/18						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Restitution National Office	210 745	—	—	(57 526)	—	—	(57 526)	153 219
Restitution Regional Offices	427 865	—	—	49 592	—	—	49 592	477 457
Restitution Grants	2 608 774	—	—	—	—	—	—	2 608 774
Total	3 247 384	—	—	(7 934)	—	—	(7 934)	3 239 450
Economic classification								
Current payments	630 608	—	—	(15 380)	—	—	(15 380)	615 228
Compensation of employees	339 818	—	—	7 066	—	—	7 066	346 884
Goods and services	290 790	—	—	(22 446)	—	—	(22 446)	268 344
Transfers and subsidies	2 614 699	—	—	4 772	—	—	4 772	2 619 471
Provinces and municipalities	5 621	—	—	4 772	—	—	4 772	10 393
Households	2 609 078	—	—	—	—	—	—	2 609 078
Payments for capital assets	2 077	—	—	2 674	—	—	2 674	4 751
Machinery and equipment	2 077	—	—	2 674	—	—	2 674	4 751
Total	3 247 384	—	—	(7 934)	—	—	(7 934)	3 239 450

Programme 5: Land Reform

Subprogramme		2017/18						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Land Redistribution and Development	266 632	–	–	(4 955)	–	–	(4 955)	261 677
Land Tenure and Administration	380 595	–	–	26 960	–	–	26 960	407 555
Land Reform Grants	491 862	–	–	46 216	–	–	46 216	538 078
KwaZulu-Natal Ingonyama Trust Board	19 727	–	–	–	–	–	–	19 727
Agricultural Land Holding Account	1 419 601	–	–	(71 204)	–	–	(71 204)	1 348 397
Office of Valuer-General	49 806	–	–	15 000	–	–	15 000	64 806
Total	2 628 223	–	–	12 017	–	–	12 017	2 640 240
Economic classification								
Current payments	581 589	–	–	(2 239)	–	–	(2 239)	579 350
Compensation of employees	332 965	–	–	2 017	–	–	2 017	334 982
Goods and services	248 624	–	–	(4 256)	–	–	(4 256)	244 368
Transfers and subsidies	2 045 000	–	–	10 916	–	–	10 916	2 055 916
Provinces and municipalities	61 877	–	–	22 682	–	–	22 682	84 559
Departmental agencies and accounts	1 489 134	–	–	(56 204)	–	–	(56 204)	1 432 930
Public corporations and private enterprises	1	–	–	–	–	–	–	1
Households	493 988	–	–	44 438	–	–	44 438	538 426
Payments for capital assets	1 634	–	–	3 340	–	–	3 340	4 974
Machinery and equipment	1 634	–	–	3 340	–	–	3 340	4 974
Total	2 628 223	–	–	12 017	–	–	12 017	2 640 240

Virements and shifts within votes**Programmes**

- Administration
- National Geomatics Management Services
- Rural Development
- Restitution
- Land Reform

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(3 595)	Programme 1		3 595
Goods and services	Cost containment measures effected on operating leases and transport equipment	(2 252)	Machinery and equipment	Finance leases, laptops and office equipment	2 252
	Cost containment measures effected on operating leases and transport equipment	(290)	Households	Leave gratuities	290
Machinery and equipment	Cost containment measures effected on capital assets ²	(911)	Goods and services	Travel and subsistence	911
	Cost containment measures effected on capital assets ²	(142)	Households	Leave gratuities	142
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 2		(15 410)	Programme 1		6 558
Goods and services	Cost containment measures effected on business and advisory services	(6 558)	Goods and services	Travel and subsistence	6 558
	Cost containment measures effected on business and advisory services	(3 357)	Programme 2		3 642
	Cost containment measures effected on business and advisory services	(282)	Machinery and equipment	Finance leases, laptops and office furniture	3 357
	Cost containment measures effected on business and advisory services	(3)	Households	Leave gratuities	282
	Cost containment measures effected on business and advisory services	(4 281)	Provinces and municipalities	Vehicle licenses	3
Compensation of employees	Vacant posts	(4 281)	Programme 4		4 281
			Compensation of employees	Personnel remuneration	4 281
			Programme 2		929
Software and other intangible assets	Cost containment measures effected on software	(929)	Machinery and equipment	Computer hardware	929
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		1.6%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 3		(49 088)	Programme 3		1 238
Goods and services	Cost containment measures effected on agency and support services, business and advisory services, and fleet services	(1 075)	Machinery and equipment	Finance leases, laptops and office furniture	1 075
	Cost containment measures effected on advertising	(13)	Households	Leave gratuities	13
Machinery and equipment	Cost containment measures effected on audiovisual equipment, finance leases and laptops ²	(150)	Goods and services	Travel and subsistence	150
Compensation of employees	Vacant posts	(2 612)	Programme 1		2 612
	Vacant posts	(1 226)	Compensation of employees	Personnel remuneration	2 612
	Vacant posts	(3 576)	Programme 4		1 226
			Compensation of employees	Personnel remuneration	1 226
			Programme 5		3 576
			Compensation of employees	Personnel remuneration	3 576
Households	Cost containment measures effected on transfers to households	(131)	Programme 3		40 436
	Cost containment measures effected on transfers to households	(40 305)	Machinery and equipment	Finance leases, laptops and printing equipment	131
			Goods and services	Business and advisory services, consultants, and travel and subsistence	40 305
Shifts within the programme as a percentage of the programme budget		2.3%			
Virements to other programmes as a percentage of the programme budget		0.4%			
Programme 4		(22 446)	Programme 4		7 446
Goods and services	Cost containment measures effected on business and advisory services, fleet services, legal services and operating payments	(2 674)	Machinery and equipment	Audiovisual equipment, finance leases, laptops, and office furniture and equipment	2 674
	Cost containment measures effected on business and advisory services, catering, fleet services and operating payments	(4 772)	Provinces and municipalities	Rates and taxes	4 772
	Cost containment measures effected on business and advisory services	(15 000)	Programme 5		15 000
			Departmental agencies and accounts	Office of the Valuer-General ¹	15 000
Shifts within the programme as a percentage of the programme budget		1.7%			
Virements to other programmes as a percentage of the programme budget		0.5%			
Programme 5		(646 574)	Programme 1		5 000
Goods and services	Cost containment measures effected on business and advisory services	(5 000)	Goods and services	Business and advisory services	5 000
	Cost containment measures effected on administration fees, business and advisory services, consumable supplies, fleet services, legal services, operating and property payments	(3 340)	Programme 5		363 369
	Cost containment measures effected on operating payments	(304)	Machinery and equipment	Finance leases, laptops and office furniture	3 340
	Cost containment measures effected on catering	(2)	Households	Leave gratuities	304
			Provinces and municipalities	Vehicle licences	2
Compensation of employees	Vacant posts	(1 559)	Programme 4		1 559
			Compensation of employees	Personnel remuneration	1 559
Households	Leave gratuities	(4 373)	Programme 5		98 291
	Reclassification of funds from current transfers ¹	(538 078)	Goods and services	Travel and subsistence, and venues and facilities	4 373
	Land reform grants	(22 697)	Households	Reclassification of funds to capital transfers ¹	538 078
			Provinces and municipalities	Survey of properties and reform committee fees	22 697
Departmental agencies and accounts	Agricultural land holding account ²	(71 204)	Households	One household one hectare project	71 204
Provinces and municipalities	Cost containment measures effected on vehicle licences ¹	(17)	Goods and services	Administrative fees	17
Shifts within the programme as a percentage of the programme budget		24.4%			
Virements to other programmes as a percentage of the programme budget		0.2%			
Total		(737 113)			737 113

1. National Treasury approval has been obtained.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	1 582 541	701 492	44.3	1 607 482	101.6	1 735 790	17.0	637 887	36.7
National Geomatics	714 371	292 985	41.0	668 582	93.6	661 278	6.5	280 348	42.4
Management Services									
Rural Development	1 914 367	710 707	37.1	1 814 769	94.8	1 907 482	18.7	640 949	33.6
Restitution	3 168 208	1 160 125	36.6	3 331 114	105.1	3 239 450	31.8	1 098 801	33.9
Land Reform	2 744 858	1 444 720	52.6	2 645 052	96.4	2 640 240	25.9	1 113 620	42.2
Total	10 124 345	4 310 029	42.6	10 066 999	99.4	10 184 240	100.0	3 771 605	37.0
Economic classification									
Current payments	3 842 709	1 714 757	44.6	3 746 038	97.5	3 922 442	38.5	1 606 272	41.0
Compensation of employees	2 142 593	1 017 979	47.5	2 065 290	96.4	2 194 584	21.5	1 022 410	46.6
Goods and services	1 700 116	696 633	41.0	1 679 942	98.8	1 727 858	17.0	580 731	33.6
Interest and rent on land	–	145	0.0	806	0.0	–	0.0	3 131	0.0
Transfers and subsidies	6 225 237	2 562 024	41.2	5 563 969	89.4	6 225 239	61.1	2 140 611	34.4
Provinces and municipalities	93 281	28 913	31.0	115 330	123.6	94 999	0.9	53 968	56.8
Departmental agencies and accounts	1 524 905	1 014 731	66.5	1 539 207	100.9	1 436 930	14.1	753 532	52.4
Higher education institutions	1 574	1 364	86.7	2 333	148.2	–	0.0	–	–
Foreign governments and international organisations	1	–	0.0	–	0.0	1 653	0.0	–	0.0
Public corporations and private enterprises	–	–	–	–	–	1	0.0	–	0.0
Non-profit institutions	3 326	831	25.0	3 326	100.0	3 492	0.0	873	25.0
Households	4 602 150	1 516 185	32.9	3 903 773	84.8	4 688 164	46.0	1 332 238	28.4
Payments for capital assets	56 399	33 236	58.9	732 278	1298.4	36 559	0.4	24 722	67.6
Buildings and other fixed structures	7 135	549	7.7	568 866	7972.9	–	0.0	–	–
Machinery and equipment	44 858	16 858	37.6	59 009	131.5	36 559	0.4	8 986	24.6
Land and subsoil assets	4 406	15 829	359.3	104 403	2369.6	–	0.0	15 736	0.0
Payments for financial assets	–	12	–	24 714	–	–	0.0	–	0.0
Total	10 124 345	4 310 029	42.6	10 066 999	99.4	10 184 240	100.0	3 771 605	37.0

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R10.1 billion, or 99.4 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R3.8 billion, or 37 per cent of the adjusted appropriation of R10.2 billion for the year. In comparison, mid-year expenditure in 2016/17 was R4.3 billion, or 42.6 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R538.4 million, or 12.5 per cent. This is mainly due to delays in approval and procurement processes. The department plans to decentralise procurement to provincial offices to fast-track spending.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
R thousand										
Departmental receipts	95 812	25 831	27.0	89 761	93.7	61 022	98 619	100.0	36 807	37.3
Sales of goods and services produced by department	25 460	9 741	38.3	21 649	85.0	23 497	34 572	35.1	10 542	30.5
Sales of scrap, waste, arms and other used current goods	82	68	82.9	3	3.7	5	68	0.1	55	80.9
Transfers received	244	–	0.0	–	0.0	–	244	0.2	–	0.0
Interest, dividends and rent on land	16 853	14 435	85.7	29 761	176.6	29 074	49 564	50.3	20 490	41.3
Sales of capital assets	123	123	100.0	439	356.9	194	300	0.3	102	34.0
Transactions in financial assets and liabilities	53 050	1 464	2.8	37 909	71.5	8 252	13 871	14.1	5 618	40.5
Total	95 812	25 831	27.0	89 761	93.7	61 022	98 619	100.0	36 807	37.3

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R36.8 million, or 37.3 per cent of the adjusted revenue estimate of R98.6 million for the year. In comparison, mid-year revenue in 2016/17 was R25.8 million, or 27 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R11 million, or 42.5 per cent. This is mainly due to an increase in interest received on servitude rights, and an increase in inspection fees.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

2017/18								
	Main appropriation	Adjustments appropriation					Adjusted appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand								
Administration								
Households								
Social benefits								
Current	106	–	–	432	–	–	432	538
Employee social benefits	106	–	–	432	–	–	432	538
National Geomatics Management Services								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	13	–	–	3	–	–	3	16
Vehicle licences	13	–	–	3	–	–	3	16
Households								
Social benefits								
Current	452	–	–	282	–	–	282	734
Employee social benefits	452	–	–	282	–	–	282	734
Rural Development								
Households								
Social benefits								
Current	–	–	–	13	–	–	13	13
Employee social benefits	–	–	–	13	–	–	13	13
Households								
Other transfers to households								
Current	1 554 457	–	–	(40 436)	–	–	(40 436)	1 514 021
Rural Infrastructure Development	814 432	–	–	(19 245)	–	–	(19 245)	795 187
Rural Enterprise and Industrial Development	384 000	–	–	(20 191)	–	–	(20 191)	363 809
National Rural Youth Services Corps	356 025	–	–	(1 000)	–	–	(1 000)	355 025

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

2017/18								
R thousand	Main appropriation	Adjustments appropriation					Adjusted appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
Restitution								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	5 621	–	–	4 772	–	–	4 772	10 393
Vehicle licences	5 621	–	–	(5 151)	–	–	(5 151)	470
Municipal rates and taxes	–	–	–	9 923	–	–	9 923	9 923
Land Reform								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	61 877	–	–	22 682	–	–	22 682	84 559
Vehicle licences	–	–	–	35	–	–	35	35
Rates and taxes	61 877	–	–	22 647	–	–	22 647	84 524
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	1 469 407	–	–	(56 204)	–	–	(56 204)	1 413 203
Agricultural land holding account	1 419 601	–	–	(71 204)	–	–	(71 204)	1 348 397
Office of the Valuer-General	49 806	–	–	15 000	–	–	15 000	64 806
Households								
Social benefits								
Current	2 126	–	–	(1 778)	–	–	(1 778)	348
Employee social benefits	2 126	–	–	(1 778)	–	–	(1 778)	348
Households								
Other transfers to households								
Current	491 862	–	–	(491 862)	–	–	(491 862)	–
Land reform grants	491 862	–	–	(491 862)	–	–	(491 862)	–
Capital	–	–	–	538 078	–	–	538 078	538 078
Land reform grants	–	–	–	538 078	–	–	538 078	538 078

Vote 40

Sport and Recreation South Africa

Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	1 066 564	1 066 564	(700)	700
of which:				
Current payments	268 266	267 566	(700)	–
Transfers and subsidies	796 051	796 051	–	–
Payments for capital assets	2 247	2 947	–	700
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 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of people actively participating in sport and recreation promotion campaigns and events per year	Active Nation	Outcome 14: National building and social cohesion	47 386	1 476	–
Number of participants in national school sport championships per year	Active Nation		5 000	4 242	–
Number of schools, hubs and clubs provided with equipment and/or attire as per the established norms and standards per year	Active Nation		2 500	786	–
Number of major international events receiving intra-governmental support per year	Winning Nation		4	4	–
Number of athletes supported by the sports academies per year	Winning Nation		3 500	5 328	–
Number of athletes supported through the scientific support programme per year	Winning Nation		80	59	–
Number of sport and recreation bodies receiving financial and non-financial support in an effort to assist them in meeting their transformation targets per year	Sport Support		60	2	–
Number of athletes supported through the ministerial sports bursary programme per year	Winning Nation		60	45	–
Number of municipalities provided with technical and management support per year	Sport Infrastructure Support		30	34	–

Mid-year progress

The indigenous games, the big walk and national recreation day are set to take place in the third quarter of the financial year. As a result, the department expects to meet its target for the number of participants in campaigns and events aimed at promoting recreation. The department expects to exceed its target of 5 000 participants taking part in the national school sport championships, which are also set to take place in the third quarter. The department's preparation for this event will enable it to meet the target of providing sports equipment to 2 500 schools, hubs and clubs.

Only 2 sports federations out of a targeted 60 have received support this financial year. Such federations are required to provide audited financial statements and business plans before funds are transferred to them, and only two have done so thus far. The department, however, expects to meet its target as the remaining federations are scheduled to submit these documents after their financial year ends in December.

The number of athletes supported by the sports academies has exceeded the target of 3 500 as some of the support is provided to groups at training camps, life skills seminars and workshops, and interest in these events has been considerable.

The department has already supported 4 major international events and expects to exceed the target for the year as demand for support increases in line with South Africa's popularity as a host of international sporting events.

As a result of the department increasing its capacity to provide technical and management support to municipalities for sport infrastructure, it has already exceeded its target of 30 for 2017/18.

Adjusted Estimates of National Expenditure 2017

Programme	2017/18							
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Administration	136 856	–	–	(9 000)	–	–	(9 000)	127 856
Active Nation	689 081	–	–	15 000	–	–	15 000	704 081
Winning Nation	76 911	–	–	(5 000)	–	–	(5 000)	71 911
Sport Support	150 661	–	–	–	–	–	–	150 661
Sport Infrastructure Support	13 055	–	–	(1 000)	–	–	(1 000)	12 055
Total	1 066 564	–	–	–	–	–	–	1 066 564
Economic classification								
Current payments	268 266	–	–	(700)	–	–	(700)	267 566
Compensation of employees	106 104	–	–	–	–	–	–	106 104
Goods and services	162 162	–	–	(700)	–	–	(700)	161 462
Transfers and subsidies	796 051	–	–	–	–	–	–	796 051
Provinces and municipalities	585 828	–	–	–	–	–	–	585 828
Departmental agencies and accounts	34 673	–	–	–	–	–	–	34 673
Non-profit institutions	169 178	–	–	–	–	–	–	169 178
Households	6 372	–	–	–	–	–	–	6 372
Payments for capital assets	2 247	–	–	700	–	–	700	2 947
Machinery and equipment	2 247	–	–	700	–	–	700	2 947
Total	1 066 564	–	–	–	–	–	–	1 066 564

Programme 1: Administration

Subprogramme		2017/18						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation						
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Ministry	25 161	–	–	–	–	–	–	25 161
Management	19 878	–	–	(3 500)	–	–	(3 500)	16 378
Strategic Support	7 349	–	–	(1 000)	–	–	(1 000)	6 349
Corporate Services	44 847	–	–	(4 500)	–	–	(4 500)	40 347
Office of the Chief Financial Officer	20 967	–	–	–	–	–	–	20 967
Office Accommodation	18 654	–	–	–	–	–	–	18 654
Total	136 856	–	–	(9 000)	–	–	(9 000)	127 856

Programme 1: Administration (continued)

Economic classification		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Current payments	134 522	–	–	(9 700)	–	–	(9 700)	124 822
Compensation of employees	75 372	–	–	–	–	–	–	75 372
Goods and services	59 150	–	–	(9 700)	–	–	(9 700)	49 450
Transfers and subsidies	87	–	–	–	–	–	–	87
Departmental agencies and accounts	87	–	–	–	–	–	–	87
Payments for capital assets	2 247	–	–	700	–	–	700	2 947
Machinery and equipment	2 247	–	–	700	–	–	700	2 947
Total	136 856	–	–	(9 000)	–	–	(9 000)	127 856

Programme 2: Active Nation

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management: Active Nation	3 763	–	–	(2 500)	–	–	(2 500)	1 263
Active Recreation	1 147	–	–	(1 147)	–	–	(1 147)	–
Community Sport	67 494	–	–	18 647	–	–	18 647	86 141
School Sport	30 849	–	–	–	–	–	–	30 849
Provincial Sport Support and Coordination	585 828	–	–	–	–	–	–	585 828
Total	689 081	–	–	15 000	–	–	15 000	704 081
Economic classification								
Current payments	62 820	–	–	15 000	–	–	15 000	77 820
Compensation of employees	7 794	–	–	–	–	–	–	7 794
Goods and services	55 026	–	–	15 000	–	–	15 000	70 026
Transfers and subsidies	626 261	–	–	–	–	–	–	626 261
Provinces and municipalities	585 828	–	–	–	–	–	–	585 828
Non-profit institutions	40 433	–	–	–	–	–	–	40 433
Total	689 081	–	–	15 000	–	–	15 000	704 081

Programme 3: Winning Nation

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management: Winning Nation	2 293	–	–	(2 293)	–	–	(2 293)	–
Scientific Support	44 001	–	–	2 293	–	–	2 293	46 294
Major Events Support	11 772	–	–	(5 000)	–	–	(5 000)	6 772
Recognition Systems	18 845	–	–	–	–	–	–	18 845
Total	76 911	–	–	(5 000)	–	–	(5 000)	71 911
Economic classification								
Current payments	37 735	–	–	(5 000)	–	–	(5 000)	32 735
Compensation of employees	3 905	–	–	–	–	–	–	3 905
Goods and services	33 830	–	–	(5 000)	–	–	(5 000)	28 830
Transfers and subsidies	39 176	–	–	–	–	–	–	39 176
Departmental agencies and accounts	22 991	–	–	–	–	–	–	22 991
Non-profit institutions	9 813	–	–	–	–	–	–	9 813
Households	6 372	–	–	–	–	–	–	6 372
Total	76 911	–	–	(5 000)	–	–	(5 000)	71 911

Programme 5: Sport Infrastructure Support

Subprogramme		2017/18						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management: Infrastructure Support	2 293	–	–	(1 000)	–	–	(1 000)	1 293
Sport and Recreation Facility Management	7 776	–	–	(600)	–	–	(600)	7 176
Sport and Recreation Facility Planning	2 986	–	–	600	–	–	600	3 586
Total	13 055	–	–	(1 000)	–	–	(1 000)	12 055
Economic classification								
Current payments	13 055	–	–	(1 000)	–	–	(1 000)	12 055
Compensation of employees	4 870	–	–	–	–	–	–	4 870
Goods and services	8 185	–	–	(1 000)	–	–	(1 000)	7 185
Total	13 055	–	–	(1 000)	–	–	(1 000)	12 055

Details of adjustments to Estimates of National Expenditure 2017

Virements and shifts within votes

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		(9 700)	Programme 1		700
Goods and services	Reclassification of funds incorrectly classified in the 2017 ENE	(700)	Machinery and equipment	Sports buses	700
	Contracts for mobile devices, vehicles and office equipment	(9 000)	Programme 2		9 000
			Goods and services	National indigenous games, big walk, national recreation day and national youth camp	9 000
Shifts within the programme as a percentage of the programme budget		0.5%			
Virements to other programmes as a percentage of the programme budget		6.6%			
Programme 3		(5 000)	Programme 2		5 000
Goods and services	Ekhaya projects, and contracts for mobile devices	(5 000)	Goods and services	National indigenous games, big walk, national recreation day and national youth camp	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		6.5%			
Programme 5		(1 000)	Programme 2		1 000
Goods and services	Outdoor gyms, and contracts for mobile devices	(1 000)	Goods and services	National indigenous games, big walk, national recreation day and national youth camp	1 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		7.7%			
Total		(15 700)			
					15 700

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
Administration	130 862	63 220	48.3	117 328	89.7	127 856	12.0	67 455	52.8
Active Nation	663 335	340 159	51.3	683 960	103.1	704 081	66.0	332 232	47.2
Winning Nation	67 155	23 782	35.4	62 684	93.3	71 911	6.7	28 148	39.1
Sport Support	148 966	53 658	36.0	147 124	98.8	150 661	14.1	42 151	28.0
Sport Infrastructure Support	16 282	4 998	30.7	12 526	76.9	12 055	1.1	4 564	37.9
Total	1 026 600	485 817	47.3	1 023 622	99.7	1 066 564	100.0	474 550	44.5
Economic classification									
Current payments	274 590	134 031	48.8	270 119	98.4	267 566	25.1	125 689	47.0
Compensation of employees	101 596	51 349	50.5	101 306	99.7	106 104	9.9	50 515	47.6
Goods and services	172 994	82 682	47.8	168 813	97.6	161 462	15.1	75 174	46.6
Transfers and subsidies	749 843	350 848	46.8	749 391	99.9	796 051	74.6	346 473	43.5
Provinces and municipalities	555 708	276 973	49.8	555 378	99.9	585 828	54.9	275 152	47.0
Departmental agencies and accounts	33 012	16 465	49.9	32 997	100.0	34 673	3.3	23 091	66.6
Non-profit institutions	161 123	56 662	35.2	156 923	97.4	169 178	15.9	46 525	27.5
Households	–	748	0.0	4 093	0.0	6 372	0.6	1 705	26.8
Payments for capital assets	2 167	938	43.3	3 540	163.4	2 947	0.3	2 388	81.0
Machinery and equipment	2 167	938	43.3	3 540	163.4	2 947	0.3	2 388	81.0
Payments for financial assets	–	–	–	572	–	–	0.0	–	–
Total	1 026 600	485 817	47.3	1 023 622	99.7	1 066 564	100.0	474 550	44.5

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R1 billion, or 99.7 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R474.6 million, or 44.5 per cent of the adjusted appropriation of R1.1 billion for the year. In comparison, mid-year expenditure in 2016/17 was R485.8 million, or 47.3 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R11.3 million, or 2.3 per cent. The slower spending in 2017/18 is mainly due to lower transfers to non-profit organisations and provinces from the mass participation and sport development grant.

Departmental receipts

	2016/17					2017/18				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	92	46	50.0	97	105.4	295	170	100.0	43	25.3
Sales of goods and services produced by department	70	33	47.1	63	90.0	80	66	38.8	34	51.5
Interest, dividends and rent on land	4	1	25.0	1	25.0	11	4	2.4	1	25.0
Transactions in financial assets and liabilities	18	12	66.7	33	183.3	204	100	58.8	8	8.0
Total	92	46	50.0	97	105.4	295	170	100.0	43	25.3

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R43 000, or 25.3 per cent of the adjusted revenue estimate of R170 000 for the year. In comparison, mid-year revenue in 2016/17 was R46 000, or 50 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in

2017/18 decreased by R3 000, or 6.5 per cent. This is mainly due to a decrease in the sale of assets less than R5 000.