

# Vote 36

## Water and Sanitation

### Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>15 107 449</b>	<b>15 607 449</b>	<b>(145 813)</b>	<b>645 813</b>
<b>of which:</b>				
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		80%	74% (204/275)	–
Number of wastewater systems assessed for compliance with green drop regulatory standards per year	Water Sector Regulation	Outcome 10: Protect and enhance our environmental assets and natural resources	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	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
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
<b>Total</b>	<b>15 107 449</b>	-	<b>500 000</b>	-	-	-	<b>500 000</b>	<b>15 607 449</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 301 475</b>	-	-	<b>(145 813)</b>	-	-	<b>(145 813)</b>	<b>3 155 662</b>
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
<b>Transfers and subsidies</b>	<b>8 114 498</b>	-	<b>300 000</b>	<b>1 620</b>	-	-	<b>301 620</b>	<b>8 416 118</b>
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
<b>Payments for capital assets</b>	<b>3 691 476</b>	-	<b>200 000</b>	<b>144 193</b>	-	-	<b>344 193</b>	<b>4 035 669</b>
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
<b>Total</b>	<b>15 107 449</b>	-	<b>500 000</b>	-	-	-	<b>500 000</b>	<b>15 607 449</b>

**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	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
<b>Total</b>	<b>1 628 414</b>	<b>-</b>	<b>-</b>	<b>21 437</b>	<b>-</b>	<b>-</b>	<b>21 437</b>	<b>1 649 851</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 542 286</b>	<b>-</b>	<b>-</b>	<b>19 192</b>	<b>-</b>	<b>-</b>	<b>19 192</b>	<b>1 561 478</b>
Compensation of employees	753 944	-	-	(31 098)	-	-	(31 098)	722 846
Goods and services	788 342	-	-	50 290	-	-	50 290	838 632
<b>Transfers and subsidies</b>	<b>22 011</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22 011</b>
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
<b>Payments for capital assets</b>	<b>64 117</b>	<b>-</b>	<b>-</b>	<b>2 245</b>	<b>-</b>	<b>-</b>	<b>2 245</b>	<b>66 362</b>
Machinery and equipment	21 990	-	-	18 394	-	-	18 394	40 384
Software and other intangible assets	42 127	-	-	(16 149)	-	-	(16 149)	25 978
<b>Total</b>	<b>1 628 414</b>	<b>-</b>	<b>-</b>	<b>21 437</b>	<b>-</b>	<b>-</b>	<b>21 437</b>	<b>1 649 851</b>

**Programme 2: Water Planning and Information Management**

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								
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
<b>Total</b>	<b>816 462</b>	<b>-</b>	<b>-</b>	<b>(14 014)</b>	<b>-</b>	<b>-</b>	<b>(14 014)</b>	<b>802 448</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>739 594</b>	<b>-</b>	<b>-</b>	<b>(17 898)</b>	<b>-</b>	<b>-</b>	<b>(17 898)</b>	<b>721 696</b>
Compensation of employees	418 421	-	-	(6 000)	-	-	(6 000)	412 421
Goods and services	321 173	-	-	(11 898)	-	-	(11 898)	309 275
<b>Transfers and subsidies</b>	<b>1 243</b>	<b>-</b>	<b>-</b>	<b>1 450</b>	<b>-</b>	<b>-</b>	<b>1 450</b>	<b>2 693</b>
Provinces and municipalities	415	-	-	267	-	-	267	682
Non-profit institutions	25	-	-	-	-	-	-	25
Households	803	-	-	1 183	-	-	1 183	1 986
<b>Payments for capital assets</b>	<b>75 625</b>	<b>-</b>	<b>-</b>	<b>2 434</b>	<b>-</b>	<b>-</b>	<b>2 434</b>	<b>78 059</b>
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
<b>Total</b>	<b>816 462</b>	<b>-</b>	<b>-</b>	<b>(14 014)</b>	<b>-</b>	<b>-</b>	<b>(14 014)</b>	<b>802 448</b>

**Programme 3: Water Infrastructure Development**

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								
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
<b>Total</b>	<b>12 251 746</b>	<b>-</b>	<b>500 000</b>	<b>8 617</b>	<b>-</b>	<b>-</b>	<b>508 617</b>	<b>12 760 363</b>

**Programme 3: Water Infrastructure Development (continued)**

Economic classification	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									
<b>Current payments</b>	<b>623 069</b>	–	–	(130 755)	–	–	(130 755)	<b>492 314</b>	
Compensation of employees	259 429	–	–	(44 977)	–	–	(44 977)	214 452	
Goods and services	363 640	–	–	(85 778)	–	–	(85 778)	277 862	
<b>Transfers and subsidies</b>	<b>8 090 145</b>	–	300 000	105	–	–	300 105	<b>8 390 250</b>	
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	
<b>Payments for capital assets</b>	<b>3 538 532</b>	–	200 000	139 267	–	–	339 267	<b>3 877 799</b>	
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	
<b>Total</b>	<b>12 251 746</b>	–	500 000	8 617	–	–	508 617	<b>12 760 363</b>	

**Programme 4: Water Sector Regulation**

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									
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	
<b>Total</b>	<b>410 827</b>	–	–	(16 040)	–	–	(16 040)	<b>394 787</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>396 526</b>	–	–	(16 352)	–	–	(16 352)	<b>380 174</b>	
Compensation of employees	220 062	–	–	2 075	–	–	2 075	222 137	
Goods and services	176 464	–	–	(18 427)	–	–	(18 427)	158 037	
<b>Transfers and subsidies</b>	<b>1 099</b>	–	–	65	–	–	65	<b>1 164</b>	
Departmental agencies and accounts	499	–	–	–	–	–	–	499	
Households	600	–	–	65	–	–	65	665	
<b>Payments for capital assets</b>	<b>13 202</b>	–	–	247	–	–	247	<b>13 449</b>	
Machinery and equipment	13 202	–	–	247	–	–	247	13 449	
<b>Total</b>	<b>410 827</b>	–	–	(16 040)	–	–	(16 040)	<b>394 787</b>	

**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:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(55 492)</b>	<b>Programme 1</b>		<b>34 900</b>
Compensation of employees	Vacant posts <sup>1</sup>	(34 900)	Goods and services	Office accommodation	34 900
	Vacant posts	(2 198)	<b>Programme 2</b>		<b>2 198</b>
			Compensation of employees	Personnel remuneration	2 198
			<b>Programme 1</b>		<b>18 248</b>
Software and other intangible assets	Reclassification of funds incorrectly classified in the 2017 ENE	(16 149)	Machinery and equipment	Reclassification of funds incorrectly classified in the 2017 ENE	16 149
Goods and services	Advertising, communications, computer services, and venues and facilities	(2 099)	Machinery and equipment	Finance leases for cellphones and printers	2 099
	Advertising, communications, computer services, and venues and facilities	(146)	<b>Programme 4</b>		<b>146</b>
			Goods and services	Business and advisory services, contractors, and venues and facilities	146
Shifts within the programme as a percentage of the programme budget		3.8%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Programme 2</b>		<b>(25 679)</b>	<b>Programme 1</b>		<b>6 000</b>
Compensation of employees	Vacant posts	(6 000)	Compensation of employees	Personnel remuneration	6 000
	Vacant posts <sup>1</sup>	(1 012)	<b>Programme 3</b>		<b>1 012</b>
			Buildings and other fixed structures	Bucket eradication programme	1 012
	Vacant posts	(1 186)	<b>Programme 4</b>		<b>1 186</b>
			Compensation of employees	Personnel remuneration	1 186
Goods and services	Infrastructure and planning services, inventory, and training and development	(1 697)	<b>Programme 1</b>		<b>1 697</b>
	Infrastructure and planning services, inventory, and training and development	(485)	Goods and services	Business and advisory services, contractors, and venues and facilities	1 697
	Infrastructure and planning services, inventory, and training and development	(1 183)	<b>Programme 2</b>		<b>1 935</b>
	Infrastructure and planning services, inventory, and training and development	(267)	Machinery and equipment	Hydro equipment and office furniture	485
	Infrastructure and planning services, inventory, and training and development	(13 849)	Households	Leave gratuities	1 183
			Provinces and municipalities	Vehicle licences	267
			<b>Programme 3</b>		<b>13 849</b>
			Goods and services	Water tankering activities as a result of drought relief interventions	13 849
Shifts within the programme as a percentage of the programme budget		2.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.9%</b>			
<b>Programme 3</b>		<b>(145 084)</b>	<b>Programme 3</b>		<b>44 088</b>
Compensation of employees	Vacant posts <sup>1</sup>	(44 088)	Buildings and other fixed structures	Bucket eradication programme	44 088
	Vacant posts	(889)	<b>Programme 4</b>		<b>889</b>
			Compensation of employees	Personnel remuneration	889
Goods and services	Computer services, consultants and contractors	(5 583)	<b>Programme 2</b>		<b>5 835</b>
	Cost containment measures effected mainly on venues and facilities	(252)	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
			<b>Programme 3</b>		<b>94 272</b>
	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%			
<b>Programme 4</b>		<b>(20 416)</b>	<b>Programme 1</b>		<b>15 938</b>
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)	<b>Programme 3</b>		<b>480</b>
	Waste discharge charge system and Environmental Management Inspectorate projects	(2 090)	Goods and services	Water tankering activities as a result of drought relief interventions	480
	Waste discharge charge system and Environmental Management Inspectorate projects	(65)	<b>Programme 4</b>		<b>2 155</b>
	Waste discharge charge system and Environmental Management Inspectorate projects	(146)	Machinery and equipment	Finance leases for cellphones and printers	2 090
	Waste discharge charge system and Environmental Management Inspectorate projects	(1 697)	Households	Leave gratuities	65
Machinery and equipment	Transport equipment	(146)	<b>Programme 1</b>		<b>146</b>
	Transport equipment	(1 697)	Machinery and equipment	Finance leases for cellphones and printers	146
			<b>Programme 2</b>		<b>1 697</b>
			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%			
<b>Total</b>		<b>(246 671)</b>			<b>246 671</b>

1. 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	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	
<b>Total</b>	<b>15 524 597</b>	<b>7 371 163</b>	<b>47.5</b>	<b>15 635 438</b>	<b>100.7</b>	<b>15 607 449</b>	<b>100.0</b>	<b>6 961 733</b>	<b>44.6</b>	

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
<b>Current payments</b>	<b>3 205 871</b>	<b>1 480 331</b>	<b>46.2</b>	<b>3 139 948</b>	<b>97.9</b>	<b>3 155 662</b>	<b>20.2</b>	<b>1 329 651</b>	<b>42.1</b>
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
<b>Transfers and subsidies</b>	<b>7 484 242</b>	<b>3 497 598</b>	<b>46.7</b>	<b>7 482 157</b>	<b>100.0</b>	<b>8 416 118</b>	<b>53.9</b>	<b>3 720 273</b>	<b>44.2</b>
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
<b>Payments for capital assets</b>	<b>4 834 484</b>	<b>2 393 234</b>	<b>49.5</b>	<b>5 013 330</b>	<b>103.7</b>	<b>4 035 669</b>	<b>25.9</b>	<b>1 911 809</b>	<b>47.4</b>
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
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>
<b>Total</b>	<b>15 524 597</b>	<b>7 371 163</b>	<b>47.5</b>	<b>15 635 438</b>	<b>100.7</b>	<b>15 607 449</b>	<b>100.0</b>	<b>6 961 733</b>	<b>44.6</b>

## 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	Apr 17 - Sep 17 % of adjusted estimate
<b>Departmental receipts</b>	<b>20 874</b>	<b>17 123</b>	<b>82.0</b>	<b>20 964</b>	<b>100.4</b>	<b>14 146</b>	<b>7 386</b>	<b>100.0</b>	<b>4 201</b>	<b>56.9</b>
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	50.9
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	11	12	0.2	6	50.0
Interest, dividends and rent on land	1 604	921	57.4	1 384	86.3	1 600	2 575	34.9	1 242	48.2
Sales of capital assets	20	20	100.0	-	-	-	96	1.3	66	68.8
Transactions in financial assets and liabilities	16 827	14 697	87.3	16 416	97.6	10 000	2 694	36.5	1 864	69.2
<b>Total</b>	<b>20 874</b>	<b>17 123</b>	<b>82.0</b>	<b>20 964</b>	<b>100.4</b>	<b>14 146</b>	<b>7 386</b>	<b>100.0</b>	<b>4 201</b>	<b>56.9</b>

## 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

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Water Planning and Information Management</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
Current	415	–	–	267	–	–	267	682
Vehicle licences	415	–	–	267	–	–	267	682
<b>Households</b>								
<b>Social benefits</b>								
Current	803	–	–	1 183	–	–	1 183	1 986
Employee social benefits	803	–	–	1 183	–	–	1 183	1 986
<b>Water Infrastructure</b>								
<b>Development</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
Capital	1 409 881	–	300 000	–	–	–	300 000	1 709 881
Water Trading Entity	1 409 881	–	300 000	–	–	–	300 000	1 709 881
<b>Households</b>								
<b>Social benefits</b>								
Current	16 339	–	–	105	–	–	105	16 444
Employee social benefits	16 339	–	–	105	–	–	105	16 444
<b>Water Sector Regulation</b>								
<b>Households</b>								
<b>Social benefits</b>								
Current	600	–	–	65	–	–	65	665
Employee social benefits	600	–	–	65	–	–	65	665