

Vote 11

Public Works

Adjusted budget summary

R thousand	2019/20			Adjusted appropriation
	Appropriation	Adjustments appropriation		
		Decrease	Increase	
Amount to be appropriated	7 808 988	(1 544)	99 601	7 907 045
<i>of which:</i>				
Current payments	1 011 364	(1 544)	–	1 009 820
Transfers and subsidies	6 774 383	–	99 601	6 873 984
Payments for capital assets	23 241	–	–	23 241
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.

2019 National macro organisation of government

The department is in the final stages of concluding agreements with National Treasury and the Economic Development Department on the infrastructure functions to be transferred from the two departments to the newly formed Department of Public Works and Infrastructure. The conclusion of the agreements will lead to a review of the department's organisational structure and budget.

Mid-year performance

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
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	15	5	–
Number of policy frameworks developed for the public works sector per year	Intergovernmental Coordination		1	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	981 497 ¹	510 750	–
Number of public bodies 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	154	–
Number of prestige policies approved per year	Prestige Policy		2	0	–

1. Target changed to align with the department's 2019/20 annual performance plan, which was finalised after the 2019 ENE had been published.

Mid-year progress

Due to delays in finalising agreements between the department and provinces, and administrative changes, during the first half of 2019/20, the department signed only 5 of the 15 cooperation protocol agreements planned for the year. To meet its target, the department intends to fast-track the signing of the remaining agreements in the third and fourth quarters.

The department also plans to approve its targeted policy framework and prestige policies in the fourth quarter.

Adjusted estimates

Programme		2019/20						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Administration	508 013	–	3 000	–	–	–	3 000	511 013
Intergovernmental Coordination	60 886	–	(4 500)	–	–	–	(4 500)	56 386
Expanded Public Works Programme	2 680 814	–	–	–	–	–	–	2 680 814
Property and Construction Industry Policy and Research	4 443 848	–	(3 000)	–	(1 943)	100 000	95 057	4 538 905
Prestige Policy	115 427	–	4 500	–	–	–	4 500	119 927
Total	7 808 988	–	–	–	(1 943)	100 000	98 057	7 907 045
Economic classification								
Current payments	1 011 364	–	(1 544)	–	–	–	(1 544)	1 009 820
Compensation of employees	557 826	–	–	–	–	–	–	557 826
Goods and services	453 538	–	(1 544)	–	–	–	(1 544)	451 994
Transfers and subsidies	6 774 383	–	1 544	–	(1 943)	100 000	99 601	6 873 984
Provinces and municipalities	1 598 233	–	–	–	–	–	–	1 598 233
Departmental agencies and accounts	4 386 911	–	–	–	–	100 000	100 000	4 486 911
Foreign governments and international organisations	26 564	–	–	–	(1 943)	–	(1 943)	24 621
Public corporations and private enterprises	5 000	–	–	–	–	–	–	5 000
Non-profit institutions	750 424	–	–	–	–	–	–	750 424
Households	7 251	–	1 544	–	–	–	1 544	8 795
Payments for capital assets	23 241	–	–	–	–	–	–	23 241
Machinery and equipment	23 241	–	–	–	–	–	–	23 241
Total	7 808 988	–	–	–	(1 943)	100 000	98 057	7 907 045

Programme 1: Administration

Subprogramme		2019/20						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Ministry	44 486	–	(440)	–	–	–	(440)	44 046
Management	116 680	–	(7 128)	–	–	–	(7 128)	109 552
Corporate Services	247 686	–	14 068	–	–	–	14 068	261 754
Finance and Supply Chain Management	53 714	–	(500)	–	–	–	(500)	53 214
Office Accommodation	45 447	–	(3 000)	–	–	–	(3 000)	42 447
Total	508 013	–	3 000	–	–	–	3 000	511 013
Economic classification								
Current payments	499 580	–	1 856	–	–	–	1 856	501 436
Compensation of employees	295 050	–	–	–	–	–	–	295 050
Goods and services	204 530	–	1 856	–	–	–	1 856	206 386
Transfers and subsidies	1 297	–	1 144	–	–	–	1 144	2 441
Provinces and municipalities	6	–	–	–	–	–	–	6
Households	1 291	–	1 144	–	–	–	1 144	2 435
Payments for capital assets	7 136	–	–	–	–	–	–	7 136
Machinery and equipment	7 136	–	–	–	–	–	–	7 136
Total	508 013	–	3 000	–	–	–	3 000	511 013

Programme 2: Intergovernmental Coordination

Subprogramme		2019/20							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments			
Monitoring, Evaluation and Reporting	8 182	–	(2 500)	–	–	–	(2 500)	5 682	
Intergovernmental Relations and Coordination	25 167	–	(1 550)	–	–	–	(1 550)	23 617	
Professional Services	27 537	–	(450)	–	–	–	(450)	27 087	
Total	60 886	–	(4 500)	–	–	–	(4 500)	56 386	
Economic classification									
Current payments	54 830	–	(4 600)	–	–	–	(4 600)	50 230	
Compensation of employees	40 551	–	(4 500)	–	–	–	(4 500)	36 051	
Goods and services	14 279	–	(100)	–	–	–	(100)	14 179	
Transfers and subsidies	5 343	–	100	–	–	–	100	5 443	
Households	5 343	–	100	–	–	–	100	5 443	
Payments for capital assets	713	–	–	–	–	–	–	713	
Machinery and equipment	713	–	–	–	–	–	–	713	
Total	60 886	–	(4 500)	–	–	–	(4 500)	56 386	

Programme 3: Expanded Public Works Programme

Subprogramme		2019/20							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments			
Expanded Public Works Programme: Monitoring and Evaluation	59 378	–	500	–	–	–	500	59 878	
Expanded Public Works Programme: Infrastructure	1 271 664	–	1 500	–	–	–	1 500	1 273 164	
Expanded Public Works Programme: Operations	1 265 593	–	–	–	–	–	–	1 265 593	
Expanded Public Works Programme: Partnership Support	78 087	–	(2 500)	–	–	–	(2 500)	75 587	
Expanded Public Works Programme: Public Employment Coordinating Commission	6 092	–	500	–	–	–	500	6 592	
Total	2 680 814	–	–	–	–	–	–	2 680 814	
Economic classification									
Current payments	330 069	–	(300)	–	–	–	(300)	329 769	
Compensation of employees	174 913	–	–	–	–	–	–	174 913	
Goods and services	155 156	–	(300)	–	–	–	(300)	154 856	
Transfers and subsidies	2 348 836	–	300	–	–	–	300	2 349 136	
Provinces and municipalities	1 598 227	–	–	–	–	–	–	1 598 227	
Non-profit institutions	750 424	–	–	–	–	–	–	750 424	
Households	185	–	300	–	–	–	300	485	
Payments for capital assets	1 909	–	–	–	–	–	–	1 909	
Machinery and equipment	1 909	–	–	–	–	–	–	1 909	
Total	2 680 814	–	–	–	–	–	–	2 680 814	

Programme 4: Property and Construction Industry Policy and Research

Subprogramme		2019/20						Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Construction Policy Development Programme	50 388	–	67	–	–	–	67	50 455
Property Policy Development Programme	16 646	–	(3 067)	–	–	–	(3 067)	13 579
Construction Industry Development Board	76 160	–	–	–	–	–	–	76 160
Council for the Built Environment	52 796	–	–	–	–	–	–	52 796
Independent Development Trust	5 000	–	–	–	–	–	–	5 000
Construction Education and Training Authority	558	–	–	–	–	–	–	558
Property Management Trading Entity	4 215 736	–	–	–	–	100 000	100 000	4 315 736
Assistance to Organisations for the Preservation of National Memorials	26 564	–	–	–	(1 943)	–	(1 943)	24 621
Total	4 443 848	–	(3 000)	–	(1 943)	100 000	95 057	4 538 905
Economic classification								
Current payments	35 442	–	(3 000)	–	–	–	(3 000)	32 442
Compensation of employees	18 951	–	–	–	–	–	–	18 951
Goods and services	16 491	–	(3 000)	–	–	–	(3 000)	13 491
Transfers and subsidies	4 408 111	–	–	–	(1 943)	100 000	98 057	4 506 168
Departmental agencies and accounts	4 376 312	–	–	–	–	100 000	100 000	4 476 312
Foreign governments and international organisations	26 564	–	–	–	(1 943)	–	(1 943)	24 621
Public corporations and private enterprises	5 000	–	–	–	–	–	–	5 000
Households	235	–	–	–	–	–	–	235
Payments for capital assets	295	–	–	–	–	–	–	295
Machinery and equipment	295	–	–	–	–	–	–	295
Total	4 443 848	–	(3 000)	–	(1 943)	100 000	95 057	4 538 905

Programme 5: Prestige Policy

Subprogramme		2019/20						Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Prestige Accommodation and State Functions	104 828	–	4 500	–	–	–	4 500	109 328
Parliamentary Villages Management Board	10 599	–	–	–	–	–	–	10 599
Total	115 427	–	4 500	–	–	–	4 500	119 927
Economic classification								
Current payments	91 443	–	4 500	–	–	–	4 500	95 943
Compensation of employees	28 361	–	4 500	–	–	–	4 500	32 861
Goods and services	63 082	–	–	–	–	–	–	63 082
Transfers and subsidies	10 796	–	–	–	–	–	–	10 796
Departmental agencies and accounts	10 599	–	–	–	–	–	–	10 599
Households	197	–	–	–	–	–	–	197
Payments for capital assets	13 188	–	–	–	–	–	–	13 188
Machinery and equipment	13 188	–	–	–	–	–	–	13 188
Total	115 427	–	4 500	–	–	–	4 500	119 927

Details of adjustments to the 2019 Estimates of National Expenditure

Virements and shifts within the vote

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		(1 144)	Programme 1		1 144
Goods and services	Travel and subsistence	(1 144)	Households	Employee social benefits and leave gratuities	1 144
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		(4 600)	Programme 2		100
Goods and services	Travel and subsistence	(100)	Households	Employee social benefits and leave gratuities	100
Compensation of employees	Vacant posts	(4 500)	Programme 5		4 500
			Compensation of employees	Personnel remuneration	4 500
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 3		(300)	Programme 3		300
Goods and services	Agency and support/outsourced services	(300)	Households	Employee social benefits and leave gratuities	300
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		(3 000)	Programme 1		3 000
Goods and services	Business and advisory services	(3 000)	Goods and services	Legal services	3 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Total		(9 044)			9 044

Declared unspent funds – R1.943 million

Programme 4: Property and Construction Industry Policy and Research

R1.943 million in unspent funds has been declared on transfers and subsidies due to favourable fluctuations in foreign exchange rates.

Other adjustments – R100 million

Appropriation of expenditure earmarked in the 2019 Budget speech for future allocation

Programme 4: Property and Construction Industry Policy and Research

An additional R100 million has been allocated for the small harbours programme for the improvement of public infrastructure projects.

Expenditure outcome for 2018/19 and actual expenditure for 2019/20

Programme	2018/19					2019/20			
	Adjusted appropriation	Outcome			Adjusted appropriation/ Total (%)	Actual expenditure			
		Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted appropriation	Apr 18 - Mar 19		Apr 18 - Mar 19 % of adjusted appropriation	Adjusted appropriation	Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted appropriation
R thousand									
Administration	470 674	221 140	47.0	448 316	95.2	511 013	6.5	219 539	43.0
Intergovernmental	52 868	24 041	45.5	50 425	95.4	56 386	0.7	28 554	50.6
Coordination									
Expanded Public Works Programme	2 538 562	1 157 085	45.6	2 532 725	99.8	2 680 814	33.9	1 250 691	46.7
Property and Construction	4 232 691	2 142 030	50.6	4 232 318	100.0	4 538 905	57.4	2 229 410	49.1
Industry Policy and Research									
Prestige Policy	188 531	113 619	60.3	184 765	98.0	119 927	1.5	49 334	41.1
Total	7 483 326	3 657 915	48.9	7 448 549	99.5	7 907 045	100.0	3 777 528	47.8
Economic classification									
Current payments	990 549	502 256	50.7	966 366	97.6	1 009 820	12.8	428 657	42.4
Compensation of employees	518 347	243 680	47.0	496 388	95.8	557 826	7.1	247 851	44.4
Goods and services	471 808	258 182	54.7	469 583	99.5	451 994	5.7	180 806	40.0
Interest and rent on land	394	394	100.0	395	100.3	–	–	–	–
Transfers and subsidies	6 471 038	3 153 268	48.7	6 470 599	100.0	6 873 984	86.9	3 337 227	48.5
Provinces and municipalities	1 516 868	630 771	41.6	1 516 868	100.0	1 598 233	20.2	711 578	44.5
Departmental agencies and accounts	4 173 787	2 092 337	50.1	4 173 787	100.0	4 486 911	56.7	2 199 034	49.0
Foreign governments and international organisations	22 723	22 710	99.9	22 710	99.9	24 621	0.3	24 620	100.0
Public corporations and private enterprises	28 362	28 362	100.0	28 362	100.0	5 000	0.1	5 000	100.0
Non-profit institutions	720 158	374 944	52.1	720 158	100.0	750 424	9.5	390 910	52.1
Households	9 140	4 144	45.3	8 714	95.3	8 795	0.1	6 085	69.2
Payments for capital assets	21 739	2 391	11.0	9 499	43.7	23 241	0.3	11 644	50.1
Machinery and equipment	21 739	2 391	11.0	8 981	41.3	23 241	0.3	11 644	50.1
Software and other intangible assets	–	–	–	518	–	–	–	–	–
Payments for financial assets	–	–	–	2 085	–	–	–	–	–
Total	7 483 326	3 657 915	48.9	7 448 549	99.5	7 907 045	100.0	3 777 528	47.8

Expenditure trends for the first half of 2019/20

Total expenditure in 2018/19 was R7.4 billion, 99.5 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2018/19 was R3.7 billion, 48.9 per cent of the 2018/19 adjusted appropriation, whereas expenditure in the first half of 2019/20 was R3.8 billion, 47.8 per cent of the adjusted appropriation of R7.9 billion for the year. Compared to the first half of 2018/19, expenditure over the same period in 2019/20 increased by R119.6 million, 3.3 per cent, mainly due to an increase in transfer payments to the Property Management Trading Entity.

Departmental receipts

R thousand	2018/19					2019/20				
	Adjusted estimate	Outcome			Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts		
		Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted estimate	Apr 18 - Mar 19				Apr 18 - Mar 19 % of adjusted estimate	Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted estimate
Departmental receipts	3 374	909	26.9	3 478	103.1	1 949	14 620	100.0	11 877	81.2
Sales of goods and services produced by department	340	142	41.8	287	84.4	280	280	1.9	150	53.6
Sales of scrap, waste, arms and other used current goods	5	2	40.0	5	100.0	40	40	0.3	1	2.5
Interest, dividends and rent on land	2 400	453	18.9	1 451	60.5	600	13 000	88.9	10 770	82.8
Sales of capital assets	200	90	45.0	90	45.0	–	200	1.4	139	69.5
Transactions in financial assets and liabilities	429	222	51.7	1 645	383.4	1 029	1 100	7.5	817	74.3
Total	3 374	909	26.9	3 478	103.1	1 949	14 620	100.0	11 877	81.2

Revenue trends for the first half of 2019/20

Mid-year revenue in 2018/19 was R909 000, 26.9 per cent of the adjusted estimate of R3.4 million, whereas revenue in the first half of 2019/20 was R11.9 million, 81.2 per cent of the adjusted estimate of R14.6 million for the year. Compared to the first half of 2018/19, revenue over the same period in 2019/20 increased by R11 million, 1 206.6 per cent. This was mainly due to higher than anticipated revenue collection from public corporations, and interest earned on the department's bank account.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	Appropriation	2019/20					Adjusted appropriation	
		Adjustments appropriation						
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		Total adjustments appropriation
Administration								
Households								
Social benefits								
Current	1 291	–	1 144	–	–	–	1 144	2 435
Employee social benefits	1 291	–	1 144	–	–	–	1 144	2 435
Intergovernmental								
Coordination								
Households								
Social benefits								
Current	63	–	100	–	–	–	100	163
Employee social benefits	63	–	100	–	–	–	100	163
Expanded Public Works Programme								
Households								
Social benefits								
Current	185	–	300	–	–	–	300	485
Employee social benefits	185	–	300	–	–	–	300	485
Property and Construction								
Industry Policy and Research								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	4 215 736	–	–	–	–	100 000	100 000	4 315 736
Property Management Trading Entity	4 215 736	–	–	–	–	100 000	100 000	4 315 736

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

		2019/20						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Foreign governments and international organisations								
	Current	26 564	–	–	–	(1 943)	–	24 621
	Commonwealth War Graves Commission	26 564	–	–	–	(1 943)	–	24 621