

# Vote 39

## Rural Development and Land Reform

### Adjusted budget summary

R thousand	2019/20			Adjusted appropriation
	Appropriation	Adjustments appropriation		
		Decrease	Increase	
<b>Amount to be appropriated</b>	<b>10 946 208</b>	<b>(258 056)</b>	<b>140 762</b>	<b>10 828 914</b>
<i>of which:</i>				
Current payments	4 760 697	–	140 762	4 901 459
Transfers and subsidies	5 522 669	(223 878)	–	5 298 791
Payments for capital assets	662 842	(34 178)	–	628 664
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.

### 2019 National macro organisation of government

The agriculture function of the Department of Agriculture, Forestry and Fisheries has been merged with the Department of Rural Development and Land Reform to form the new Department of Agriculture, Land Reform and Rural Development. The new departments will be fully merged with effect from 1 April 2020. Work to ensure proper governance structures is in progress. The new organisational and budget structures are expected to be completed during the current financial year.

### 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 rural enterprises supported per year <sup>1</sup>	Rural Development	Outcome 7: Comprehensive rural development and land reform	227 <sup>1</sup>	73	–
Number of skills development opportunities provided in rural development initiatives per year	Rural Development		7 465 <sup>1</sup>	3 925	–
Number of Infrastructure projects completed per year <sup>1</sup>	Rural Development		122 <sup>1</sup>	81	–
Number of land claims finalised per year	Restitution		637 <sup>1</sup>	149	–
Number of hectares acquired per year	Rural Development		94 040 <sup>1</sup>	43 075	–

1. Target and/or indicator 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

During the first half of 2019/20, 149 land claims were finalised against the annual target of 637. This underachievement was due to untraceable or missing beneficiaries, which resulted in claims not being finalised, including complications arising from deceased claimants. Over the same period, the department acquired 43 075 hectares against the annual target of 94 040 hectares. This underachievement was due to greater focus being placed on ensuring proper provision of post-settlement support rather than acquiring land.

## Adjusted Estimates

Programme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Administration	1 889 100	–	42 492	–	(50 524)	–	(8 032)	1 881 068
National Geomatics Management Services	712 800	–	42 300	–	(41 218)	–	1 082	713 882
Rural Development	1 821 141	–	(93 878)	–	(10 730)	–	(104 608)	1 716 533
Restitution	3 608 193	–	–	–	(14 822)	–	(14 822)	3 593 371
Land Reform	2 914 974	–	9 086	–	–	–	9 086	2 924 060
<b>Total</b>	<b>10 946 208</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(117 294)</b>	<b>–</b>	<b>(117 294)</b>	<b>10 828 914</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>4 760 697</b>	<b>–</b>	<b>258 056</b>	<b>–</b>	<b>(117 294)</b>	<b>–</b>	<b>140 762</b>	<b>4 901 459</b>
Compensation of employees	2 501 042	–	–	–	(74 212)	–	(74 212)	2 426 830
Goods and services	2 259 655	–	257 904	–	(43 082)	–	214 822	2 474 477
Interest and rent on land	–	–	152	–	–	–	152	152
<b>Transfers and subsidies</b>	<b>5 522 669</b>	<b>–</b>	<b>(223 878)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(223 878)</b>	<b>5 298 791</b>
Provinces and municipalities	78 018	–	105 091	–	–	–	105 091	183 109
Departmental agencies and accounts	1 573 671	–	(115)	–	–	–	(115)	1 573 556
Foreign governments and international organisations	1 847	–	724	–	–	–	724	2 571
Public corporations and private enterprises	1	–	–	–	–	–	–	1
Non-profit institutions	3 902	–	–	–	–	–	–	3 902
Households	3 865 230	–	(329 578)	–	–	–	(329 578)	3 535 652
<b>Payments for capital assets</b>	<b>662 842</b>	<b>–</b>	<b>(34 178)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(34 178)</b>	<b>628 664</b>
Buildings and other fixed structures	238 230	–	332 380	–	–	–	332 380	570 610
Machinery and equipment	424 612	–	(369 148)	–	–	–	(369 148)	55 464
Heritage assets	–	–	2 154	–	–	–	2 154	2 154
Land and subsoil assets	–	–	436	–	–	–	436	436
<b>Total</b>	<b>10 946 208</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(117 294)</b>	<b>–</b>	<b>(117 294)</b>	<b>10 828 914</b>

## Programme 1: Administration

Subprogramme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Ministry	46 447	–	3 565	–	–	–	3 565	50 012
Management	215 609	–	43 713	–	–	–	43 713	259 322
Internal Audit	48 630	–	2 091	–	–	–	2 091	50 721
Corporate Services	423 794	–	32 844	–	–	–	32 844	456 638
Financial Services	205 717	–	7 972	–	–	–	7 972	213 689
Provincial Coordination	435 660	–	9 225	–	(7 442)	–	1 783	437 443
Office Accommodation	513 243	–	(56 918)	–	(43 082)	–	(100 000)	413 243
<b>Total</b>	<b>1 889 100</b>	<b>–</b>	<b>42 492</b>	<b>–</b>	<b>(50 524)</b>	<b>–</b>	<b>(8 032)</b>	<b>1 881 068</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 640 443</b>	<b>–</b>	<b>131 060</b>	<b>–</b>	<b>(50 524)</b>	<b>–</b>	<b>80 536</b>	<b>1 720 979</b>
Compensation of employees	864 899	–	(15 208)	–	(7 442)	–	(22 650)	842 249
Goods and services	775 544	–	146 228	–	(43 082)	–	103 146	878 690
Interest and rent on land	–	–	40	–	–	–	40	40
<b>Transfers and subsidies</b>	<b>196</b>	<b>–</b>	<b>982</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>982</b>	<b>1 178</b>
Provinces and municipalities	41	–	–	–	–	–	–	41
Households	155	–	982	–	–	–	982	1 137

**Programme 1: Administration (continued)**

Economic classification		2019/20						
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
<b>Payments for capital assets</b>	<b>248 461</b>	–	(89 550)	–	–	–	<b>(89 550)</b>	<b>158 911</b>
Buildings and other fixed structures	238 230	–	(100 000)	–	–	–	(100 000)	138 230
Machinery and equipment	10 231	–	10 450	–	–	–	10 450	20 681
<b>Total</b>	<b>1 889 100</b>	–	<b>42 492</b>	–	<b>(50 524)</b>	–	<b>(8 032)</b>	<b>1 881 068</b>

**Programme 2: National Geomatics Management Services**

Subprogramme		2019/20						
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
National Geomatics Management Services	512 803	–	42 415	–	(30 505)	–	11 910	524 713
Spatial Planning and Land Use Management	191 987	–	–	–	(10 713)	–	(10 713)	181 274
Registration of Deeds Trading Account	1	–	–	–	–	–	–	1
South African Council for Planners	3 902	–	–	–	–	–	–	3 902
South African Geomatics Council	4 107	–	(115)	–	–	–	(115)	3 992
<b>Total</b>	<b>712 800</b>	–	<b>42 300</b>	–	<b>(41 218)</b>	–	<b>1 082</b>	<b>713 882</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>669 758</b>	–	<b>40 550</b>	–	<b>(41 218)</b>	–	<b>(668)</b>	<b>669 090</b>
Compensation of employees	520 132	–	–	–	(41 218)	–	(41 218)	478 914
Goods and services	149 626	–	40 550	–	–	–	40 550	190 176
<b>Transfers and subsidies</b>	<b>38 646</b>	–	<b>65</b>	–	–	–	<b>65</b>	<b>38 711</b>
Provinces and municipalities	14	–	–	–	–	–	–	14
Departmental agencies and accounts	4 108	–	(115)	–	–	–	(115)	3 993
Foreign governments and international organisations	1 847	–	724	–	–	–	724	2 571
Non-profit institutions	3 902	–	–	–	–	–	–	3 902
Households	28 775	–	(544)	–	–	–	(544)	28 231
<b>Payments for capital assets</b>	<b>4 396</b>	–	<b>1 685</b>	–	–	–	<b>1 685</b>	<b>6 081</b>
Machinery and equipment	4 396	–	1 685	–	–	–	1 685	6 081
<b>Total</b>	<b>712 800</b>	–	<b>42 300</b>	–	<b>(41 218)</b>	–	<b>1 082</b>	<b>713 882</b>

**Programme 3: Rural Development**

Subprogramme		2019/20						
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Rural Infrastructure Development	874 988	–	(100 000)	–	(10 730)	–	(110 730)	764 258
Rural Enterprise and Industrial Development	534 523	–	3 164	–	–	–	3 164	537 687
National Rural Youth Services Corps	411 630	–	2 958	–	–	–	2 958	414 588
<b>Total</b>	<b>1 821 141</b>	–	<b>(93 878)</b>	–	<b>(10 730)</b>	–	<b>(104 608)</b>	<b>1 716 533</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 104 722</b>	–	<b>93 891</b>	–	<b>(10 730)</b>	–	<b>83 161</b>	<b>1 187 883</b>
Compensation of employees	319 405	–	6 122	–	(10 730)	–	(4 608)	314 797
Goods and services	785 317	–	87 657	–	–	–	87 657	872 974
Interest and rent on land	–	–	112	–	–	–	112	112
<b>Transfers and subsidies</b>	<b>312 599</b>	–	<b>(225 012)</b>	–	–	–	<b>(225 012)</b>	<b>87 587</b>
Households	312 599	–	(225 012)	–	–	–	(225 012)	87 587

**Programme 3: Rural Development (continued)**

Economic classification		2019/20						Adjusted appropriation
		Adjustments appropriation					Total	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	adjustments appropriation	
<b>Payments for capital assets</b>	<b>403 820</b>	–	<b>37 243</b>	–	–	–	<b>37 243</b>	<b>441 063</b>
Buildings and other fixed structures	–	–	432 380	–	–	–	432 380	432 380
Machinery and equipment	403 820	–	(397 291)	–	–	–	(397 291)	6 529
Heritage assets	–	–	2 154	–	–	–	2 154	2 154
<b>Total</b>	<b>1 821 141</b>	–	<b>(93 878)</b>	–	<b>(10 730)</b>	–	<b>(104 608)</b>	<b>1 716 533</b>

**Programme 4: Restitution**

Subprogramme		2019/20						Adjusted appropriation
		Adjustments appropriation					Total	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	adjustments appropriation	
Restitution National Office	185 213	–	–	–	(4 126)	–	(4 126)	181 087
Restitution Regional Offices	503 268	–	–	–	(10 696)	–	(10 696)	492 572
Restitution Grants	2 919 712	–	–	–	–	–	–	2 919 712
<b>Total</b>	<b>3 608 193</b>	–	–	–	<b>(14 822)</b>	–	<b>(14 822)</b>	<b>3 593 371</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>679 385</b>	–	<b>(8 832)</b>	–	<b>(14 822)</b>	–	<b>(23 654)</b>	<b>655 731</b>
Compensation of employees	402 634	–	–	–	(14 822)	–	(14 822)	387 812
Goods and services	276 751	–	(8 832)	–	–	–	(8 832)	267 919
<b>Transfers and subsidies</b>	<b>2 926 413</b>	–	<b>54</b>	–	–	–	<b>54</b>	<b>2 926 467</b>
Provinces and municipalities	6 360	–	30	–	–	–	30	6 390
Households	2 920 053	–	24	–	–	–	24	2 920 077
<b>Payments for capital assets</b>	<b>2 395</b>	–	<b>8 778</b>	–	–	–	<b>8 778</b>	<b>11 173</b>
Machinery and equipment	2 395	–	8 342	–	–	–	8 342	10 737
Land and subsoil assets	–	–	436	–	–	–	436	436
<b>Total</b>	<b>3 608 193</b>	–	–	–	<b>(14 822)</b>	–	<b>(14 822)</b>	<b>3 593 371</b>

**Programme 5: Land Reform**

Subprogramme		2019/20						Adjusted appropriation
		Adjustments appropriation					Total	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	adjustments appropriation	
Land Redistribution and Development	298 228	–	(23 071)	–	–	–	(23 071)	275 157
Land Tenure and Administration	443 627	–	137 228	–	–	–	137 228	580 855
Land Reform Grants	603 556	–	(105 071)	–	–	–	(105 071)	498 485
KwaZulu-Natal Ingonyama Trust Board	21 489	–	–	–	–	–	–	21 489
Agricultural Land Holding Account	1 405 947	–	–	–	–	–	–	1 405 947
Office of the Valuer-General	142 127	–	–	–	–	–	–	142 127
<b>Total</b>	<b>2 914 974</b>	–	<b>9 086</b>	–	–	–	<b>9 086</b>	<b>2 924 060</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>666 389</b>	–	<b>1 387</b>	–	–	–	<b>1 387</b>	<b>667 776</b>
Compensation of employees	393 972	–	9 086	–	–	–	9 086	403 058
Goods and services	272 417	–	(7 699)	–	–	–	(7 699)	264 718
<b>Transfers and subsidies</b>	<b>2 244 815</b>	–	<b>33</b>	–	–	–	<b>33</b>	<b>2 244 848</b>
Provinces and municipalities	71 603	–	105 061	–	–	–	105 061	176 664
Departmental agencies and accounts	1 569 563	–	–	–	–	–	–	1 569 563
Public corporations and private enterprises	1	–	–	–	–	–	–	1
Households	603 648	–	(105 028)	–	–	–	(105 028)	498 620
<b>Payments for capital assets</b>	<b>3 770</b>	–	<b>7 666</b>	–	–	–	<b>7 666</b>	<b>11 436</b>
Machinery and equipment	3 770	–	7 666	–	–	–	7 666	11 436
<b>Total</b>	<b>2 914 974</b>	–	<b>9 086</b>	–	–	–	<b>9 086</b>	<b>2 924 060</b>

## Details of adjustments to the 2019 Estimates of National Expenditure

### Virements and shifts within the vote

#### Programmes

1. Administration
2. National Geomatics Management Services
3. Rural Development
4. Restitution
5. Land Reform

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(124 311)</b>	<b>Programme 3</b>		<b>6 122</b>
Compensation of employees	Vacant posts	(6 122)	Compensation of employees	National rural youth services corps, and rural enterprise and industrial development	6 122
	Vacant posts	(9 086)	<b>Programme 5</b>		<b>9 086</b>
			Compensation of employees	Land tenure and administration	9 086
			<b>Programme 1</b>		<b>66 803</b>
Goods and services	Administrative fees, operating payments, rental and hiring, and travel and subsistence	(982)	Households	Leave gratuities	982
	Agency and support/outsourced services, communications, contractors, fleet services, property payments, training, and travel and subsistence	(8 081)	Machinery and equipment	Computers, office furniture and equipment, ICT equipment, finance leases	8 081
	Administrative fees	(40)	Interest and rent on land	Interest charges	40
Buildings and other fixed structures	Delays in issuing indemnities for public-private partnership project <sup>1</sup>	(57 700)	Goods and services	Computer services, consultants, fleet services, operating leases, operating payments, property payments, travel and subsistence, and venues and facilities	57 700
	Delays in issuing indemnities for public-private partnership project <sup>1</sup>	(42 300)	<b>Programme 2</b>		<b>42 300</b>
			Goods and services	Computer services	42 300
Shifts within the programme as a percentage of the programme budget		3.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.0%</b>			
<b>Programme 2</b>		<b>(2 474)</b>	<b>Programme 2</b>		<b>2 474</b>
Goods and services	Advertising	(65)	Households	Leave gratuities	65
	Computer services and operating leases	(1 685)	Machinery and equipment	Computers, finance leases, office equipment and office furniture	1 685
Households	Bursaries	(609)	Foreign governments and international organisations	Subscription fees	609
Departmental agencies and accounts	Transfer to South African Geomatics Council	(115)	Foreign governments and international organisations	Subscription fees	115
Shifts within the programme as a percentage of the programme budget		0.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			

2019 Adjusted Estimates of National Expenditure

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>			<b>Programme 1</b>		
<b>(843 974)</b>			<b>100 000</b>		
Goods and services	Contractors	(97 631)	Goods and services	Computer services, consultants, fleet services, legal services, minor assets, operating leases, operating payments, property payments, security services, travel and subsistence, and venues and facilities	97 631
	Contractors	(2 369)	Machinery and equipment	Finance leases and ICT equipment	2 369
	Administrative fees	(43)	<b>Programme 3</b>		
	Agency and support/outsourced services	(634)	Households	Leave gratuities	43
	Communication and operating leases	(112)	Machinery and equipment	Computers and office furniture	634
	Reclassification of transfers and subsidies	(2 154)	Interest and rent on land	Interest charges	112
	Reclassification of transfers and subsidies	(118 051)	Heritage assets	Reclassification of transfers and subsidies	2 154
Households	Reclassification of transfers and subsidies	(225 055)	Buildings and other fixed structures	Reclassification of transfers and subsidies	118 051
Machinery and equipment	Reclassification of other machinery and equipment to inventory: other supplies <sup>1</sup>	(83 596)	Goods and services	Reclassification of transfers and subsidies, training, and travel and subsistence	225 055
Machinery and equipment	Reclassification of payments for capital assets <sup>1</sup>	(314 329)	Goods and services	Reclassification of other machinery and equipment to inventory: other supplies <sup>1</sup>	83 596
			Buildings and other fixed structures	Reclassification of payments for capital assets <sup>1</sup>	314 329
Shifts within the programme as a percentage of the programme budget		40.9%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>5.5%</b>			
<b>Programme 4</b>			<b>Programme 4</b>		
<b>(8 832)</b>			<b>8 832</b>		
Goods and services	Administrative fees, rental and hiring	(24)	Households	Leave gratuities	24
	Consultants	(8 342)	Machinery and equipment	Computers, finance leases and office furniture	8 342
	Minor assets	(30)	Provinces and municipalities	Rates and taxes	30
	Property payments	(436)	Land and subsoil assets	Capital assets for restitution regional offices	436
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>		<b>(112 780)</b>	<b>Programme 5</b>		<b>112 780</b>
Goods and services	Catering	(33)	Households	Leave gratuities	33
	Audit costs	(7 666)	Machinery and equipment	Finance leases, computers, and office equipment and furniture	7 666
Households	Land reform grants <sup>1</sup>	(105 071)	Provinces and municipalities	Rates and taxes <sup>1</sup>	105 071
Provinces and municipalities	Rates and taxes	(10)	Households	Leave gratuities	10
Shifts within the programme as a percentage of the programme budget		3.9%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(1 092 371)</b>			<b>1 092 371</b>

1. National Treasury approval has been obtained.

### Declared unspent funds – R117.294 million

#### Programme 1: Administration

R43.082 million in unspent funds has been declared on public-private partnerships under office accommodation. R7.442 million in unspent funds has been declared on compensation of employees due to vacancies since the beginning of 2019/20.

#### Programme 2: National Geomatics Management Services

R41.218 million in unspent funds has been declared on compensation of employees due to vacancies since the beginning of 2019/20.

#### Programme 3: Rural Development

R10.730 million in unspent funds has been declared on compensation of employees due to vacancies since the beginning of 2019/20.

#### Programme 4: Restitution

R14.822 million in unspent funds has been declared on compensation of employees due to vacancies since the beginning of 2019/20.

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

Programme	2018/19					2019/20			
	Adjusted appropriation	Outcome			Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure		
Apr 18 - Sep 18 % of		Apr 18 - adjusted appropriation	Apr 18 - Mar 19 % of	Apr 18 - adjusted appropriation			Apr 19 - Sep 19	adjusted appropriation	
R thousand									
Administration	1 911 429	928 553	48.6	1 842 589	96.4	1 881 068	17.4	776 420	41.3
National Geomatics Management Services	642 306	303 686	47.3	626 906	97.6	713 882	6.6	326 419	45.7
Rural Development	1 998 724	642 497	32.1	1 980 700	99.1	1 716 533	15.9	609 833	35.5
Restitution	3 264 264	1 151 301	35.3	3 256 042	99.7	3 593 371	33.2	1 488 807	41.4
Land Reform	2 608 520	1 156 681	44.3	2 574 863	98.7	2 924 060	27.0	1 182 201	40.4
<b>Total</b>	<b>10 425 243</b>	<b>4 182 718</b>	<b>40.1</b>	<b>10 281 100</b>	<b>98.6</b>	<b>10 828 914</b>	<b>100.0</b>	<b>4 383 681</b>	<b>40.5</b>

2019 Adjusted Estimates of National Expenditure

Economic classification	2018/19					2019/20				
	Outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted appropriation	Apr 18 - Mar 19	Apr 18 - Mar 19 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted appropriation	
<b>Current payments</b>	<b>3 872 042</b>	<b>1 804 890</b>	<b>46.6</b>	<b>3 781 107</b>	<b>97.7</b>	<b>4 901 459</b>	<b>45.3</b>	<b>2 086 120</b>	<b>42.6</b>	
Compensation of employees	2 325 590	1 088 545	46.8	2 239 196	96.3	2 426 830	22.4	1 189 363	49.0	
Goods and services	1 545 530	715 609	46.3	1 540 990	99.7	2 474 477	22.9	896 675	36.2	
Interest and rent on land	922	736	79.8	921	99.9	152	0.0	82	53.9	
<b>Transfers and subsidies</b>	<b>6 242 176</b>	<b>2 181 878</b>	<b>35.0</b>	<b>5 736 981</b>	<b>91.9</b>	<b>5 298 791</b>	<b>48.9</b>	<b>2 077 828</b>	<b>39.2</b>	
Provinces and municipalities	225 386	44 689	19.8	225 351	100.0	183 109	1.7	63 738	34.8	
Departmental agencies and accounts	1 491 836	707 609	47.4	1 491 833	100.0	1 573 556	14.5	724 466	46.0	
Foreign governments and international organisations	2 169	2 168	100.0	2 168	100.0	2 571	0.0	2 571	100.0	
Public corporations and private enterprises	15	14	93.3	14	93.3	1	0.0	–	–	
<b>Transfers and subsidies</b>	<b>6 242 176</b>	<b>2 181 878</b>	<b>35.0</b>	<b>5 736 981</b>	<b>91.9</b>	<b>5 298 791</b>	<b>48.9</b>	<b>2 077 828</b>	<b>39.2</b>	
Non-profit institutions	3 695	1 848	50.0	3 695	100.0	3 902	0.0	1 951	50.0	
Households	4 519 075	1 425 550	31.5	4 013 920	88.8	3 535 652	32.7	1 285 102	36.3	
<b>Payments for capital assets</b>	<b>311 025</b>	<b>195 465</b>	<b>62.8</b>	<b>760 352</b>	<b>244.5</b>	<b>628 664</b>	<b>5.8</b>	<b>219 679</b>	<b>34.9</b>	
Buildings and other fixed structures	237 838	153 168	64.4	679 014	285.5	570 610	5.3	193 303	33.9	
Machinery and equipment	47 928	20 656	43.1	56 080	117.0	55 464	0.5	18 877	34.0	
Heritage assets	–	–	–	–	–	2 154	0.0	6 912	320.9	
Land and subsoil assets	25 259	21 641	85.7	25 258	100.0	436	0.0	587	134.7	
<b>Payments for financial assets</b>	<b>–</b>	<b>485</b>	<b>–</b>	<b>2 660</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>53</b>	<b>–</b>	
<b>Total</b>	<b>10 425 243</b>	<b>4 182 718</b>	<b>40.1</b>	<b>10 281 100</b>	<b>98.6</b>	<b>10 828 914</b>	<b>100.0</b>	<b>4 383 681</b>	<b>40.5</b>	

**Expenditure trends for the first half of 2019/20**

Total expenditure in 2018/19 was R10.3 billion, 98.6 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2018/19 was R4.2 billion, 40.1 per cent of the 2018/19 adjusted appropriation, whereas expenditure in the first half of 2019/20 was R4.4 billion, 40.5 per cent of the adjusted appropriation of R10.8 billion for the year. Compared to the first half of 2018/19, expenditure over the same period in 2019/20 increased by R201 million, 4.8 per cent. This was mainly due to payments for accruals on land claims settlements that were carried over from 2018/19.

**Departmental receipts**

	2018/19					2019/20				
	Outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted estimate	Apr 18 - Mar 19	Apr 18 - Mar 19 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted estimate
<b>Departmental receipts</b>	<b>86 594</b>	<b>38 366</b>	<b>44.3</b>	<b>114 509</b>	<b>132.2</b>	<b>83 478</b>	<b>119 254</b>	<b>100.0</b>	<b>66 480</b>	<b>55.7</b>
Sales of goods and services produced by department	23 132	11 546	49.9	25 595	110.6	25 304	26 699	22.4	15 050	56.4
Sales of scrap, waste, arms and other used current goods	2	1	50.0	3	150.0	3	5	0.0	3	60.0
Interest, dividends and rent on land	37 122	18 561	50.0	40 454	109.0	29 938	29 200	24.5	14 943	51.2
Sales of capital assets	400	200	50.0	271	67.8	980	1 620	1.4	1 483	91.5
Transactions in financial assets and liabilities	25 938	8 058	31.1	48 186	185.8	27 253	61 730	51.8	35 001	56.7
<b>Total</b>	<b>86 594</b>	<b>38 366</b>	<b>44.3</b>	<b>114 509</b>	<b>132.2</b>	<b>83 478</b>	<b>119 254</b>	<b>100.0</b>	<b>66 480</b>	<b>55.7</b>



## Revenue trends for the first half of 2019/20

Mid-year revenue in 2018/19 was R38.4 million, 44.3 per cent of the 2018/19 adjusted estimate, whereas revenue in the first half of 2019/20 was R66.5 million, 55.7 per cent of the adjusted estimate of R119.3 million for the year. Compared to the first half of 2018/19, revenue over the same period in 2019/20 increased by R28.1 million, 73.3 per cent, mainly due to increased revenue from restitution management fees.

## Changes to transfers and subsidies

### Summary of changes to transfers and subsidies per programme

R thousand	Appropriation	2019/20 Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	155	–	982	–	–	–	982	1 137
Employee social benefits	155	–	982	–	–	–	982	1 137
<b>National Geomatics</b>								
<b>Management</b>								
<b>Services</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	4 107	–	(115)	–	–	–	(115)	3 992
South African Geomatics Council	4 107	–	(115)	–	–	–	(115)	3 992
<b>Foreign governments and international organisations</b>								
<b>Current</b>	1 847	–	724	–	–	–	724	2 571
Regional centre for mapping of resources for development	1 847	–	724	–	–	–	724	2 571
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	449	–	1 318	–	–	–	1 318	1 767
Employee social benefits	449	–	1 318	–	–	–	1 318	1 767
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	28 326	–	(1 862)	–	–	–	(1 862)	26 464
Bursaries for non-employees	28 326	–	(1 862)	–	–	–	(1 862)	26 464
<b>Rural Development</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	43	–	–	–	43	43
Employee social benefits	–	–	43	–	–	–	43	43

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

		2019/20						
		Adjustments appropriation					Total	Adjusted
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	<b>312 598</b>	–	<b>(225 055)</b>	–	–	–	<b>(225 055)</b>	<b>87 543</b>
National Rural Youth Service Corps	312 597	–	(225 054)	–	–	–	(225 054)	87 543
Rural Enterprise and Industrial Development	1	–	(1)	–	–	–	(1)	–
<b>Restitution</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	<b>6 108</b>	–	<b>30</b>	–	–	–	<b>30</b>	<b>6 138</b>
Municipal rates and taxes	6 108	–	30	–	–	–	30	6 138
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>341</b>	–	<b>24</b>	–	–	–	<b>24</b>	<b>365</b>
Employee social benefits	341	–	24	–	–	–	24	365
<b>Land Reform</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	<b>71 603</b>	–	<b>105 061</b>	–	–	–	<b>105 061</b>	<b>176 664</b>
Rates and taxes	71 603	–	105 061	–	–	–	105 061	176 664
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>92</b>	–	<b>43</b>	–	–	–	<b>43</b>	<b>135</b>
Employee social benefits	92	–	43	–	–	–	43	135
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Capital</b>	<b>298 056</b>	–	<b>(105 071)</b>	–	–	–	<b>(105 071)</b>	<b>192 985</b>
Land reform grants: Land tenure payments	298 056	–	(105 071)	–	–	–	(105 071)	192 985