

Vote 26

Military Veterans

Adjusted budget summary

| R thousand | 2021/22 | | | |
|----------------------------------|---|---------------------------|---------------|------------------------|
| | Appropriation | Adjustments appropriation | | Adjusted appropriation |
| | | Decrease | Increase | |
| Amount to be appropriated | 654 367 | (79 038) | 32 059 | 607 388 |
| <i>of which:</i> | | | | |
| Current payments | 391 469 | (15 693) | – | 375 776 |
| Transfers and subsidies | 252 327 | (63 345) | – | 188 982 |
| Payments for capital assets | 10 571 | – | 32 059 | 42 630 |
| Executive authority | Minister of Defence and Military Veterans | | | |
| Accounting officer | Director-General for Military Veterans | | | |
| Website | www.dmv.gov.za | | | |

Vote purpose

Formulate policies and standards aimed at providing a comprehensive delivery system to military veterans and their dependants in recognition of their role in the democratisation of South Africa.

Performance

| Indicator | Programme | MTSF priority | Annual performance | | |
|---|--|---|-----------------------|--|----------------------------|
| | | | Projected for 2021/22 | Achieved in the first half of 2021/22 (April to September) | Changed target for 2021/22 |
| Number of military veterans provided with newly built houses per year | Socioeconomic Support | Priority 5: Spatial integration, human settlements and local government | 355 | 15 | – |
| Number of bursaries provided to military veterans and their dependants per year | Socioeconomic Support | Priority 3: Education, skills and health | 3 500 | 2 350 | – |
| Number of military veterans with access to health care services | Socioeconomic Support | | 19 100 | 18 867 | – |
| Number of military veteran memorial sites facilitated per year | Empowerment and Stakeholder Management | Priority 6: Social cohesion and safer communities | 3 | 0 | – |

Progress

In the first half of 2021/22, 15 newly built houses were provided to military veterans against a target of 355 for the year. This slow performance was mainly due to the department's dependence on provincial departments of human settlements for the delivery of houses. The department plans to expedite the implementation of service-level agreements with these provincial departments before year-end.

Over the same period, the department provided health care services to 18 867 military veterans against an annual target of 19 100. This relatively high output was due to improved collaboration between the department and South African Military Health Services.

The department plans to erect 3 memorial sites for military veterans during the fourth quarter of the financial year.

Adjusted estimates

| Programme | 2021/22 | | | | | | | | Adjusted appropriation |
|--|----------------|---------------------------|---------------------------------|----------------------|----------------------|------------------------|-------------------|---------------------------------|------------------------|
| | Appropriation | Adjustments appropriation | | | | | | Total adjustments appropriation | |
| | | Roll-overs | Amounts announced in the budget | Virements and shifts | Shifts between votes | Declared unspent funds | Other adjustments | | |
| R thousand | | | | | | | | | |
| Administration | 130 831 | – | – | – | – | – | 2 061 | 2 061 | 132 892 |
| Socioeconomic Support | 385 872 | – | – | (30 900) | – | (50 000) | 282 | (80 618) | 305 254 |
| Empowerment and Stakeholder Management | 137 664 | – | – | 30 900 | – | – | 678 | 31 578 | 169 242 |
| Total | 654 367 | – | – | – | – | (50 000) | 3 021 | (46 979) | 607 388 |
| Economic classification | | | | | | | | | |
| Current payments | 391 469 | – | – | (8 714) | – | (10 000) | 3 021 | (15 693) | 375 776 |
| Compensation of employees | 126 866 | – | – | – | – | – | 3 021 | 3 021 | 129 887 |
| Goods and services | 264 603 | – | – | (8 714) | – | (10 000) | – | (18 714) | 245 889 |
| Transfers and subsidies | 252 327 | – | – | (23 345) | – | (40 000) | – | (63 345) | 188 982 |
| Households | 252 327 | – | – | (23 345) | – | (40 000) | – | (63 345) | 188 982 |
| Payments for capital assets | 10 571 | – | – | 32 059 | – | – | – | 32 059 | 42 630 |
| Machinery and equipment | 7 633 | – | – | 33 964 | – | – | – | 33 964 | 41 597 |
| Software and other intangible assets | 2 938 | – | – | (1 905) | – | – | – | (1 905) | 1 033 |
| Total | 654 367 | – | – | – | – | (50 000) | 3 021 | (46 979) | 607 388 |

Programme 1: Administration

| Subprogramme | 2021/22 | | | | | | | | Adjusted appropriation |
|--|----------------|---------------------------|---------------------------------|----------------------|----------------------|------------------------|-------------------|---------------------------------|------------------------|
| | Appropriation | Adjustments appropriation | | | | | | Total adjustments appropriation | |
| | | Roll-overs | Amounts announced in the budget | Virements and shifts | Shifts between votes | Declared unspent funds | Other adjustments | | |
| R thousand | | | | | | | | | |
| Management | 7 074 | – | – | (133) | – | – | 386 | 253 | 7 327 |
| Corporate Services | 60 613 | – | – | 3 071 | – | – | 808 | 3 879 | 64 492 |
| Financial Administration | 17 240 | – | – | (1 137) | – | – | 430 | (707) | 16 533 |
| Internal Audit | 11 411 | – | – | (23) | – | – | 93 | 70 | 11 481 |
| Strategic Planning, Policy Development and Monitoring and Evaluation | 21 082 | – | – | (3 282) | – | – | 344 | (2 938) | 18 144 |
| Office Accommodation | 13 411 | – | – | 1 504 | – | – | – | 1 504 | 14 915 |
| Total | 130 831 | – | – | – | – | – | 2 061 | 2 061 | 132 892 |
| Economic classification | | | | | | | | | |
| Current payments | 129 856 | – | – | (2 426) | – | – | 2 061 | (365) | 129 491 |
| Compensation of employees | 45 271 | – | – | – | – | – | 2 061 | 2 061 | 47 332 |
| Goods and services | 84 585 | – | – | (2 426) | – | – | – | (2 426) | 82 159 |
| Transfers and subsidies | – | – | – | 255 | – | – | – | 255 | 255 |
| Households | – | – | – | 255 | – | – | – | 255 | 255 |
| Payments for capital assets | 975 | – | – | 2 171 | – | – | – | 2 171 | 3 146 |
| Machinery and equipment | 975 | – | – | 1 651 | – | – | – | 1 651 | 2 626 |
| Software and other intangible assets | – | – | – | 520 | – | – | – | 520 | 520 |
| Total | 130 831 | – | – | – | – | – | 2 061 | 2 061 | 132 892 |

Programme 2: Socioeconomic Support

| Subprogramme | | 2021/22 | | | | | | | | |
|--------------------------------------|----------------|---------------------------|---------------------------------|----------------------|----------------------|------------------------|-------------------|---------------------------------|------------------------|--|
| | | Adjustments appropriation | | | | | | | | |
| R thousand | Appropriation | Roll-overs | Amounts announced in the budget | Virements and shifts | Shifts between votes | Declared unspent funds | Other adjustments | Total adjustments appropriation | Adjusted appropriation | |
| Database and Benefits Management | 17 336 | - | - | - | - | - | 168 | 168 | 17 504 | |
| Health Care and Wellbeing Support | 111 634 | - | - | - | - | (20 000) | - | (20 000) | 91 634 | |
| Socioeconomic Support Management | 256 902 | - | - | (30 900) | - | (30 000) | 114 | (60 786) | 196 116 | |
| Total | 385 872 | - | - | (30 900) | - | (50 000) | 282 | (80 618) | 305 254 | |
| Economic classification | | | | | | | | | | |
| Current payments | 132 909 | - | - | (593) | - | (10 000) | 282 | (10 311) | 122 598 | |
| Compensation of employees | 42 262 | - | - | - | - | - | 282 | 282 | 42 544 | |
| Goods and services | 90 647 | - | - | (593) | - | (10 000) | - | (10 593) | 80 054 | |
| Transfers and subsidies | 247 792 | - | - | (30 130) | - | (40 000) | - | (70 130) | 177 662 | |
| Households | 247 792 | - | - | (30 130) | - | (40 000) | - | (70 130) | 177 662 | |
| Payments for capital assets | 5 171 | - | - | (177) | - | - | - | (177) | 4 994 | |
| Machinery and equipment | 2 233 | - | - | 2 723 | - | - | - | 2 723 | 4 956 | |
| Software and other intangible assets | 2 938 | - | - | (2 900) | - | - | - | (2 900) | 38 | |
| Total | 385 872 | - | - | (30 900) | - | (50 000) | 282 | (80 618) | 305 254 | |

Programme 3: Empowerment and Stakeholder Management

| Subprogramme | | 2021/22 | | | | | | | | |
|--|----------------|---------------------------|---------------------------------|----------------------|----------------------|------------------------|-------------------|---------------------------------|------------------------|--|
| | | Adjustments appropriation | | | | | | | | |
| R thousand | Appropriation | Roll-overs | Amounts announced in the budget | Virements and shifts | Shifts between votes | Declared unspent funds | Other adjustments | Total adjustments appropriation | Adjusted appropriation | |
| Provincial Offices and Stakeholder Relations | 64 604 | - | - | - | - | - | 563 | 563 | 65 167 | |
| Empowerment and Skills Development | 46 869 | - | - | 19 844 | - | - | 58 | 19 902 | 66 771 | |
| Heritage, Memorials, Burials and Honours | 26 191 | - | - | 11 056 | - | - | 57 | 11 113 | 37 304 | |
| Total | 137 664 | - | - | 30 900 | - | - | 678 | 31 578 | 169 242 | |
| Economic classification | | | | | | | | | | |
| Current payments | 128 704 | - | - | (5 695) | - | - | 678 | (5 017) | 123 687 | |
| Compensation of employees | 39 333 | - | - | - | - | - | 678 | 678 | 40 011 | |
| Goods and services | 89 371 | - | - | (5 695) | - | - | - | (5 695) | 83 676 | |
| Transfers and subsidies | 4 535 | - | - | 6 530 | - | - | - | 6 530 | 11 065 | |
| Households | 4 535 | - | - | 6 530 | - | - | - | 6 530 | 11 065 | |
| Payments for capital assets | 4 425 | - | - | 30 065 | - | - | - | 30 065 | 34 490 | |
| Machinery and equipment | 4 425 | - | - | 29 590 | - | - | - | 29 590 | 34 015 | |
| Software and other intangible assets | - | - | - | 475 | - | - | - | 475 | 475 | |
| Total | 137 664 | - | - | 30 900 | - | - | 678 | 31 578 | 169 242 | |

Details of adjustments to the 2021 Estimates of National Expenditure

Virements and shifts within the vote

| Programmes | | | | | |
|--|---|-------------------|---|--------------------------------|-------------------|
| 1. Administration | | | | | |
| 2. Socioeconomic Support | | | | | |
| 3. Empowerment and Stakeholder Management | | | | | |
| From: | | | To: | | |
| Programme by economic classification | Motivation | R thousand | Programme by economic classification | Motivation | R thousand |
| Programme 1 | | (2 426) | Programme 1 | | 2 426 |
| Goods and services | Travel and subsistence | (1 651) | Machinery and equipment | Computers | 1 651 |
| | Travel and subsistence | (155) | Households | Leave gratuities | 155 |
| | Business and advisory services | (520) | Software and other intangible assets | Software licences | 520 |
| | Stationery, printing and office supplies | (100) | Households | Leave gratuities | 100 |
| Shifts within the programme as a percentage of the programme budget | | 1.9% | | | |
| Virements to other programmes as a percentage of the programme budget | | 0.0% | | | |
| Programme 2 | | (34 777) | Programme 2 | | 3 877 |
| Goods and services | Travel and subsistence | (15) | Machinery and equipment | Computers | 15 |
| | Catering, consultants, contractors | (770) | Households | Leave gratuities | 770 |
| Machinery and equipment | Reallocation of funds incorrectly allocated in the 2021 ENE | (192) | Goods and services | Operating leases | 192 |
| Software and other intangible assets | Software licenses | (2 900) | Machinery and equipment | Digital verification equipment | 2 900 |
| Households | Social benefits | (30 900) | Programme 3 | | 30 900 |
| | | | Goods and services | Training and development | 4 900 |
| | | | Machinery and equipment | Training and development | 26 000 |
| Shifts within the programme as a percentage of the programme budget | | 1.0% | | | |
| Virements to other programmes as a percentage of the programme budget | | 8.0% | | | |
| Programme 3 | | (10 595) | Programme 3 | | 10 595 |
| Goods and services | Travel and subsistence | (158) | Machinery and equipment | Computers | 158 |
| | Travel and subsistence, and venues and facilities | (3 432) | Machinery and equipment | Computers, office equipment | 3 432 |
| | Travel and subsistence | (475) | Software and other intangible assets | Software licences | 475 |
| | Agency and support/outsourced services | (6 530) | Households | Burial benefits | 6 530 |
| 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 | | (47 798) | | | 47 798 |

Other adjustments – R46.979 million

Significant and unforeseeable economic and financial events – R3.021 million

An additional R3.021 million is allocated for higher salary increases than the main budget provided for:

Programme 1: Administration

R2.061 million

Programme 2: Socioeconomic Support

R282 000

Programme 3: Empowerment and Stakeholder Management

R678 000

Declared unspent funds – R50 million

Programme 2: Socioeconomic Support

R50 million in unspent funds is declared on transfers and subsidies, and goods and services due to slow spending.

Expenditure outcome for 2020/21 and actual expenditure for 2021/22

| Programme | 2020/21 | | | | | 2021/22 | | | |
|---|------------------------|-----------------|---|------------------------|----------------------------------|--------------------|---|----------------|-------------|
| | Adjusted appropriation | Outcome | | | Adjusted appropriation/Total (%) | Actual expenditure | | | |
| Apr 20 - Sep 20 % of adjusted appropriation | | Apr 20 - Mar 21 | Apr 20 - Mar 21 % of adjusted appropriation | Adjusted appropriation | | Apr 21 - Sep 21 | Apr 21 - Sep 21 % of adjusted appropriation | | |
| R thousand | | | | | | | | | |
| Administration | 138 851 | 50 027 | 36.0 | 134 767 | 97.1 | 132 892 | 21.9 | 57 820 | 43.5 |
| Socioeconomic Support | 238 392 | 47 180 | 19.8 | 224 426 | 94.1 | 305 254 | 50.3 | 69 201 | 22.7 |
| Empowerment and Stakeholder Management | 103 099 | 25 760 | 25.0 | 70 070 | 68.0 | 169 242 | 27.9 | 41 478 | 24.5 |
| Total | 480 342 | 122 967 | 25.6 | 429 263 | 89.4 | 607 388 | 100.0 | 168 499 | 27.7 |
| Economic classification | | | | | | | | | |
| Current payments | 336 174 | 95 226 | 28.3 | 312 118 | 92.8 | 375 776 | 61.9 | 121 201 | 32.3 |
| Compensation of employees | 129 063 | 62 040 | 48.1 | 121 648 | 94.3 | 129 887 | 21.4 | 57 698 | 44.4 |
| Goods and services | 207 111 | 33 186 | 16.0 | 189 177 | 91.3 | 245 889 | 40.5 | 63 503 | 25.8 |
| Interest and rent on land | – | – | – | 1 293 | – | – | – | – | – |
| Transfers and subsidies | 126 653 | 26 602 | 21.0 | 111 339 | 87.9 | 188 982 | 31.1 | 47 220 | 25.0 |
| Foreign governments and international organisations | – | 70 | – | 70 | – | – | – | – | – |
| Households | 126 653 | 26 532 | 20.9 | 111 269 | 87.9 | 188 982 | 31.1 | 47 220 | 25.0 |
| Payments for capital assets | 17 515 | 1 139 | 6.5 | 1 362 | 7.8 | 42 630 | 7.0 | 61 | 0.1 |
| Machinery and equipment | 10 043 | 1 139 | 11.3 | 1 362 | 13.6 | 41 597 | 6.8 | 61 | 0.1 |
| Software and other intangible assets | 7 472 | – | – | – | – | 1 033 | 0.2 | – | – |
| Payments for financial assets | – | – | – | 4 444 | – | – | – | 17 | – |
| Total | 480 342 | 122 967 | 25.6 | 429 263 | 89.4 | 607 388 | 100.0 | 168 499 | 27.7 |

Expenditure trends

Total expenditure in 2020/21 was R429.3 million, 89.4 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2020/21 was R123 million, 25.6 per cent of the adjusted appropriation, whereas

expenditure in the first half of 2021/22 was R168.5 million, 27.7 per cent of the adjusted appropriation of R607.4 million. Compared to the first half of 2020/21, expenditure over the same period in 2021/22 increased by R45.5 million, 37 per cent. This was mainly due to the payment of health care and housing accruals from previous years.

Departmental receipts

| R thousand | 2020/21 | | | | | 2021/22 | | | | |
|--|-------------------|-----------------|--|-----------------|--|-----------------|-------------------|---------------------------------------|-----------------|--|
| | Adjusted estimate | Outcome | | Apr 20 - Mar 21 | Apr 20 - Mar 21 % of adjusted estimate | Budget estimate | Adjusted estimate | Adjusted receipts estimate/ Total (%) | Actual receipts | |
| | | Apr 20 - Sep 20 | Apr 20 - Sep 20 % of adjusted estimate | | | | | | Apr 21 - Sep 21 | Apr 21 - Sep 21 % of adjusted estimate |
| Departmental receipts | 697 | 366 | 52.5 | 1 106 | 158.7 | 420 | 460 | 100.0 | 214 | 46.5 |
| Sales of goods and services produced by department | 37 | 20 | 54.1 | 38 | 102.7 | 40 | 50 | 10.9 | 20 | 40.0 |
| Transactions in financial assets and liabilities | 660 | 346 | 52.4 | 1 068 | 161.8 | 380 | 410 | 89.1 | 194 | 47.3 |
| Total | 697 | 366 | 52.5 | 1 106 | 158.7 | 420 | 460 | 100.0 | 214 | 46.5 |

Revenue trends

Mid-year revenue in 2020/21 was R366 000, 52.5 per cent of the adjusted estimate, whereas revenue for the first half of 2021/22 was R214 000, 46.5 per cent of the adjusted estimate of R460 000. Compared to the first half of 2020/21, revenue over the same period in 2021/22 decreased by R152 000, 41.5 per cent. This was mainly due to a decrease in credit notes received from travel agencies for travel and subsistence refunds.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

| R thousand | Appropriation | 2021/22 | | | | | | | Adjusted appropriation |
|---|---------------|---------------------------|---------------|---------------|-------------|---------------------------|---|---------------------------------|------------------------|
| | | Adjustments appropriation | | | | | | Total adjustments appropriation | |
| | | Amounts announced | Shifts | Declared | Other | Total | | | |
| Roll-overs | in the budget | Virements and shifts | between votes | unspent funds | adjustments | adjustments appropriation | | | |
| Administration | | | | | | | | | |
| Households | | | | | | | | | |
| Social benefits | | | | | | | | | |
| Current | - | - | - | 255 | - | - | - | 255 | 255 |
| Household | - | - | - | 255 | - | - | - | 255 | 255 |
| Socioeconomic Support | | | | | | | | | |
| Households | | | | | | | | | |
| Social benefits | | | | | | | | | |
| Current | 247 792 | - | - | (220 898) | - | (10 000) | - | (230 898) | 16 894 |
| Military veterans' benefits | 247 792 | - | - | (220 898) | - | (10 000) | - | (230 898) | 16 894 |
| Households | | | | | | | | | |
| Other transfers to households | | | | | | | | | |
| Current | - | - | - | 190 768 | - | (30 000) | - | 160 768 | 160 768 |
| Military veterans' benefits | - | - | - | 190 768 | - | (30 000) | - | 160 768 | 160 768 |
| Empowerment and Stakeholder Management | | | | | | | | | |
| Households | | | | | | | | | |
| Social benefits | | | | | | | | | |
| Current | 4 535 | - | - | 6 530 | - | - | - | 6 530 | 11 065 |
| Military veterans' benefits | 4 535 | - | - | 6 530 | - | - | - | 6 530 | 11 065 |