

# **Adjusted Estimates of National Expenditure**

**2016**

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## **2016**

**National Treasury**

**Republic of South Africa**

October 2016





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# Introduction

## The budget cycle timeline

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

**April:** Start of the new financial year.

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

## The main budget process

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

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

## The adjustments budget process

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

The Estimates of National Expenditure (ENE) publication describes in detail the planned spending of all national government votes over the MTEF period. The Adjusted Estimates of National Expenditure (AENE) describes in detail the revisions to spending plans for the first year of the MTEF period, that is, the current financial year.

## The adjustments

The Public Finance Management Act (1999) (PFMA)<sup>1</sup> specifies the type of spending permissible as an adjustment that the adjusted budget may provide for. The Treasury Regulations, issued by National Treasury in terms of the PFMA<sup>2</sup>, provide instructions on how to comply with the PFMA.

The adjustments appropriation makes provision for:

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

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<sup>1</sup> Section 30(2).

<sup>2</sup> Section 76.

- **Unforeseeable and unavoidable expenditure:** This is expenditure that could not be anticipated at the time of the main Budget. The Treasury Regulations<sup>3</sup> specify that the following may not be regarded as unforeseeable and unavoidable expenditure: spending that was known when the main Budget was being finalised but could not be accommodated in the allocations at the time; spending increases due to tariff adjustments and price increases; and spending to extend existing services or create new services that are not unforeseeable and unavoidable. An example of unforeseeable and unavoidable expenditure is spending made necessary to deal with the effects of adverse weather conditions.
- **Emergencies:**<sup>4</sup> The Minister of Finance can approve the use of funds that have not been appropriated, if it is for spending of an exceptional and extraordinary nature. This happens if postponing the spending to a future parliamentary appropriation would seriously prejudice the public interest.
- **Appropriation of expenditure earmarked in the main Budget speech for future allocation:** In certain instances, an amount to be allocated for a specific purpose will be announced by the Minister of Finance when the main Budget is tabled, although the details of the annual allocations are to be decided later. This is usually when plans have not been finalised in time to decide on the specific allocation amounts for the main Budget.
- **Virements:** The use of unspent funds from amounts appropriated under one programme for defraying excess expenditure under another programme within the same vote. Enacted legislation<sup>5</sup> and the Treasury Regulations<sup>6</sup> set parameters within which virements may take place.
- **Shifts within votes:** The use of unspent funds for defraying increased expenditure within a main division (programme)<sup>7</sup> of a vote, through shifting funds between the different segments (subprogramme and economic classification) of the programme. Shifts may include the reallocation of funds to correct funding classification errors made during the ENE process or to follow the transfer of functions across programmes.
- **Shifts between votes:**<sup>8</sup> The use of unspent funds in a vote for defraying increased expenditure in another vote. Such shifts include when functions are shifted to another vote or institution in terms of legislation and/or following the reassignment of responsibility for the functions. The associated assets, including personnel, and the liabilities, also need to be shifted.
- **Roll-overs:** Unspent funds from the preceding financial year that may be rolled over into the current financial year, when activities planned to be completed by the end of the preceding year, have not been completed but are close to completion. The Treasury Regulations<sup>9</sup> restrict roll-overs as follows: compensation of employees funding may not be rolled over; a maximum of 5 per cent of a department's budget for goods and services may be rolled over; transfers and subsidies funding may not be rolled over for any purpose other than what the funds were originally allocated for; and unspent funds on payments for capital assets may only be rolled over to finalise projects or the acquisition of assets already in progress.
- **Self-financing expenditure:** Spending financed from the revenue derived from a vote's specific activities. The revenue is paid into the National Revenue Fund. If self-financing expenditure is approved, these funds are allocated to the vote.
- **Declared unspent funds:** Unspent amounts that will not be spent in the current financial year, explicitly indicated by vote.

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<sup>3</sup> Section 6.6.

<sup>4</sup> Section 16 of the PFMA.

<sup>5</sup> Section 43 of the PFMA and also section 5 of the Appropriation Act (2016).

<sup>6</sup> Section 6.3.

<sup>7</sup> 'Main division' refers to a budget programme within a vote, and is the formal term used in the PFMA and in the Appropriation Act. In this publication the term 'programme' is used because this is the more commonly used term.

<sup>8</sup> Section 42 and 33 of the PFMA.

<sup>9</sup> Section 6.4.

- **Direct charge against the National Revenue Fund:** An amount spent in terms of a statute and that is not budgeted for in any programme in a particular vote, which is thus shown as a separate item, such as expenditure on debt-service costs.
- **Gifts, donations and sponsorships:**<sup>10</sup> Transactions valued at more than R100 000 are included in the adjustments budget.

## Summary of the adjustments for 2016/17

Adjustments to vote appropriations amount to an increase of R1 984.127 million, of which:

• unforeseeable and unavoidable expenditure	R1 203.347 million
• announced by the Minister of Finance in the 2016 Budget speech	R553.300 million
• roll-overs	R412.231 million
• self-financing expenditure	R1 123.549 million
• declared unspent funds (reductions to vote allocations)	(R1 308.300 million)

Adjustments to estimates of direct charges against the National Revenue Fund amount to R1 130.107 million less than anticipated at the time of the main Budget, of which:

• National Revenue Fund payments	R1 076.393 million
• debt-service costs	(R30.775 million)
• skills levy and sector education and training authorities	(R2 177.425 million)
• magistrates' salaries: declared unspent funds	(R30 million)
• judges' salaries: shortfall	R30 million
• International Oil Pollution Compensation Fund	R1.700 million

The adjustments to vote appropriations (R1.984 billion increase) and to estimates of direct charges (R1.130 billion decrease) are offset against the R6.267 billion in contingency reserve funds set aside in the main Budget. In addition, the revised budget framework makes provision for approximately R3 billion in projected underspending at the national government level, and R1.2 billion at the local government level. The total estimated adjustments spending for 2016/17 thus decreases by R9.613 billion, from a budgeted R1 318.338 billion to a revised R1 308.725 billion.

## Summary tables

Table 1: 2016/17 adjusted national budget

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Table 9: Departmental receipts per vote

Table 9.1: Departmental receipts per economic classification

<sup>10</sup> Treasury Regulation 21.

Table 1: 2016/17 adjusted national budget

R thousand	Main appropriation (ENE)	Adjustments appropriation (AENE)	Adjusted appropriation (AENE)
<b>Appropriation by vote</b>	<b>721 148 226</b>	<b>1 984 127</b>	<b>723 132 353</b>
Main appropriation	721 148 226		
<b>Total adjustments</b>		<b>1 984 127</b>	
Roll-overs		412 231	
Unforeseeable and unavoidable expenditure		1 203 347	
Unallocated and announced in the 2016 Budget		553 300	
Self-financing		1 123 549	
Declared unspent funds		(1 308 300)	
<b>Direct charges against the National Revenue Fund</b>	<b>590 923 063</b>	<b>(1 130 107)</b>	<b>589 792 956</b>
<i>Of which:</i>			
Debt-service costs	147 720 000	(30 775)	147 689 225
National Revenue Fund payments	145 000	1 076 393	1 221 393
Skills levy and sector education and training authorities	17 639 595	(2 177 425)	15 462 170
Magistrates' salaries	2 040 162	(30 000)	2 010 162
Judges' salaries	920 057	30 000	950 057
International Oil Pollution Compensation Fund	–	1 700	1 700
<b>Subtotal</b>	<b>1 312 071 289</b>	<b>854 020</b>	<b>1 312 925 309</b>
Provisional allocation not assigned to votes	266 795	(266 795)	–
Contingency reserve	6 000 000	(6 000 000)	–
National government projected underspending	–	(3 000 000)	(3 000 000)
Local government repayment to the National Revenue Fund	–	(1 200 000)	(1 200 000)
<b>Total adjustments expenditure estimate</b>	<b>1 318 338 084</b>	<b>(9 612 775)</b>	<b>1 308 725 309</b>
<b>Main budget revenue</b>	<b>1 161 996 198</b>	<b>(18 295 148)</b>	<b>1 143 701 050</b>
Tax revenue	1 174 787 771	(22 761 856)	1 152 025 915
Non-tax revenue	26 656 775	4 466 708	31 123 483
Less: Estimate of Southern Africa Customs Union payments	(39 448 348)	–	(39 448 348)
<b>Budget balance</b>	<b>(156 341 886)</b>	<b>(8 682 373)</b>	<b>(165 024 259)</b>

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

Vote number and title		2016/17						Adjusted appropriation	Value of virements and shifts
		Adjustments appropriation					Total adjustments appropriation		
		Main appropriation	Roll-overs	Unforeseeable/unavoidable	Declared unspent funds	Other adjustments			
R thousand									
1	The Presidency	499 675	–	2 100	(12 000)	–	(9 900)	489 775	11 253
2	Parliament <sup>1</sup>	1 659 631	–	–	–	–	–	1 659 631	–
3	Communications	1 345 406	1 214	–	–	3 100	4 314	1 349 720	57 403
4	Cooperative Governance and Traditional Affairs	72 994 048	27 858	–	–	–	27 858	73 021 906	27 374
5	Home Affairs	7 167 140	–	71 340	(45 000)	962 325	988 665	8 155 805	44 229
6	International Relations and Cooperation	5 888 651	–	950 000	–	–	950 000	6 838 651	66 937
7	National Treasury	28 471 417	–	–	–	–	–	28 471 417	923 347
8	Planning, Monitoring and Evaluation	827 662	–	–	(30 000)	–	(30 000)	797 662	20 436
9	Public Enterprises	273 976	–	–	(6 000)	–	(6 000)	267 976	222
10	Public Service and Administration	770 380	–	–	(6 500)	15 966	9 466	779 846	15 274
11	Public Works	6 528 765	–	–	–	(15 966)	(15 966)	6 512 799	18 611
12	Statistics South Africa	2 489 102	49 006	–	–	–	49 006	2 538 108	82 209
13	Women	196 887	–	–	–	–	–	196 887	1 070
14	Basic Education	22 269 595	–	179 907	(35 000)	(1 041)	143 866	22 413 461	276 417
15	Higher Education and Training	49 188 279	–	–	–	–	–	49 188 279	313 344
16	Health	38 563 317	18 858	–	(12 300)	27 541	34 099	38 597 416	63 345
17	Social Development	148 937 729	–	–	(1 004 500)	–	(1 004 500)	147 933 229	18 820
18	Correctional Services	21 577 287	–	–	–	2 904	2 904	21 580 191	–
19	Defence and Military Veterans	47 169 745	–	–	–	66 720	66 720	47 236 465	622 040
20	Independent Police Investigative Directorate	246 111	–	–	(4 000)	–	(4 000)	242 111	5 579
21	Justice and Constitutional Development	16 049 736	–	–	–	(9 000)	(9 000)	16 040 736	268 347
22	Office of the Chief Justice and Judicial Administration	864 990	–	–	–	9 000	9 000	873 990	105 342
23	Police	80 984 851	–	–	–	–	–	80 984 851	211 830
24	Agriculture, Forestry and Fisheries	6 332 965	–	–	(30 000)	212 000	182 000	6 514 965	84 446
25	Economic Development	674 661	–	–	–	–	–	674 661	12 524
26	Energy	7 545 171	5 385	–	–	–	5 385	7 550 556	36 601
27	Environmental Affairs	6 430 101	–	–	(5 000)	–	(5 000)	6 425 101	136 280
28	Labour	2 847 877	–	–	(5 000)	–	(5 000)	2 842 877	81 528
29	Mineral Resources	1 669 077	–	–	–	–	–	1 669 077	62 792
30	Science and Technology	7 428 996	–	–	–	–	–	7 428 996	99 910
31	Small Business Development	1 325 439	–	–	(7 000)	–	(7 000)	1 318 439	2 876
32	Telecommunications and Postal Services	2 417 412	–	–	–	–	–	2 417 412	22 680
33	Tourism	2 009 516	–	–	–	–	–	2 009 516	160 929
34	Trade and Industry	10 327 517	–	–	–	62 000	62 000	10 389 517	446 910
35	Transport	56 015 163	275 691	–	(5 000)	–	270 691	56 285 854	3 159
36	Water and Sanitation	15 245 297	–	–	(62 000)	341 300	279 300	15 524 597	158 873
37	Arts and Culture	4 070 853	16 719	–	(25 000)	–	(8 281)	4 062 572	234 615
38	Human Settlements	30 690 856	17 500	–	(12 000)	–	5 500	30 696 356	14 415
39	Rural Development and Land Reform	10 124 345	–	–	–	–	–	10 124 345	176 300
40	Sport and Recreation South Africa	1 028 600	–	–	(2 000)	–	(2 000)	1 026 600	33 994
<b>Total appropriation by vote</b>		<b>721 148 226</b>	<b>412 231</b>	<b>1 203 347</b>	<b>(1 308 300)</b>	<b>1 676 849</b>	<b>1 984 127</b>	<b>723 132 353</b>	<b>4 922 261</b>

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

R thousand	2016/17						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Declared unspent funds	Other adjustments		
Plus:							
<b>Total direct charges against the National Revenue Fund</b>	<b>590 923 063</b>	–	–	–	<b>(1 130 107)</b>	<b>(1 130 107)</b>	<b>589 792 956</b>
President and deputy president salaries (The Presidency)	6 035	–	–	–	–	–	6 035
Members' remuneration (Parliament)	529 798	–	–	–	–	–	529 798
Debt-service costs (National Treasury)	147 720 000	–	–	–	(30 775)	(30 775)	147 689 225
Provincial equitable share (National Treasury)	410 698 585	–	–	–	–	–	410 698 585
General fuel levy sharing with metropolitan municipalities (National Treasury)	11 223 831	–	–	–	–	–	11 223 831
National Revenue Fund payments (National Treasury)	145 000	–	–	–	1 076 393	1 076 393	1 221 393
Skills levy and sector education and training authorities (Higher Education and Training)	17 639 595	–	–	–	(2 177 425)	(2 177 425)	15 462 170
Magistrates' salaries (Justice and Constitutional Development)	2 040 162	–	–	–	(30 000)	(30 000)	2 010 162
Judges' salaries (Office of the Chief Justice and Judicial Administration)	920 057	–	–	–	30 000	30 000	950 057
International Oil Pollution Compensation Fund (Transport)	–	–	–	–	1 700	1 700	1 700
<b>Subtotal</b>	<b>1 312 071 289</b>	<b>412 231</b>	<b>1 203 347</b>	<b>(1 308 300)</b>	<b>546 742</b>	<b>854 020</b>	<b>1 312 925 309</b>
Provisional allocation not assigned to votes	266 795	–	–	–	(266 795)	(266 795)	–
Contingency reserve	6 000 000	–	–	–	(6 000 000)	(6 000 000)	–
National government projected underspending	–	–	–	–	(3 000 000)	(3 000 000)	(3 000 000)
Local government repayment to the National Revenue Fund	–	–	–	–	(1 200 000)	(1 200 000)	(1 200 000)
<b>Total estimated expenditure</b>	<b>1 318 338 084</b>	<b>412 231</b>	<b>1 203 347</b>	<b>(1 308 300)</b>	<b>(9 920 053)</b>	<b>(9 612 775)</b>	<b>1 308 725 309</b>

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

**Table 2.1: Adjusted appropriations per economic classification**

Economic classification	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
<b>Current payments</b>								
Compensation of employees	148 531 022	–	304 018	(317 807)	(243 300)	(1 890)	(258 979)	148 272 043
Goods and services	63 305 274	74 649	376 168	604 833	(35 000)	1 311 975	2 332 625	65 637 899
Interest and rent on land	147 819 588	–	–	124	–	(30 775)	(30 651)	147 788 937
<b>Total current payments</b>	<b>359 655 884</b>	<b>74 649</b>	<b>680 186</b>	<b>287 150</b>	<b>(278 300)</b>	<b>1 279 310</b>	<b>2 042 995</b>	<b>361 698 879</b>
<b>Transfers and subsidies</b>								
Provinces and municipalities	604 903 596	275 691	178 943	213 620	–	–	668 254	605 571 850
Departmental agencies and accounts	104 132 550	–	71 340	(760 529)	(5 000)	(2 107 605)	(2 801 794)	101 330 756
Higher education institutions	28 109 878	–	–	6 649	–	–	6 649	28 116 527
Foreign governments and international organisations	1 769 132	–	272 871	114 173	–	1 700	388 744	2 157 876
Public corporations and private enterprises	36 692 251	5 385	–	(357 041)	–	–	(351 656)	36 340 595
Non-profit institutions	3 611 881	–	–	297 392	–	–	297 392	3 909 273
Households	153 740 504	–	–	505 548	(1 000 000)	2 544	(491 908)	153 248 596
<b>Total transfers and subsidies</b>	<b>932 959 792</b>	<b>281 076</b>	<b>523 154</b>	<b>19 812</b>	<b>(1 005 000)</b>	<b>(2 103 361)</b>	<b>(2 284 319)</b>	<b>930 675 473</b>
<b>Payments for capital assets</b>								
Buildings and other fixed structures	10 930 334	49 006	7	(462 400)	(25 000)	290 700	(147 687)	10 782 647
Machinery and equipment	3 419 591	7 500	–	284 672	–	3 700	295 872	3 715 463
Heritage assets	–	–	–	2 000	–	–	2 000	2 000
Specialised military assets	993	–	–	–	–	–	–	993
Biological and cultivated assets	8 031	–	–	2 180	–	–	2 180	10 211
Land and subsoil assets	–	–	–	4 406	–	–	4 406	4 406
Software and other intangible assets	49 514	–	–	8 037	–	–	8 037	57 551
<b>Total payments for capital assets</b>	<b>14 408 463</b>	<b>56 506</b>	<b>7</b>	<b>(161 105)</b>	<b>(25 000)</b>	<b>294 400</b>	<b>164 808</b>	<b>14 573 271</b>
<b>Total payments for financial assets</b>	<b>5 047 150</b>	<b>–</b>	<b>–</b>	<b>(145 857)</b>	<b>–</b>	<b>1 076 393</b>	<b>930 536</b>	<b>5 977 686</b>
<b>Subtotal</b>	<b>1 312 071 289</b>	<b>412 231</b>	<b>1 203 347</b>	<b>–</b>	<b>(1 308 300)</b>	<b>546 742</b>	<b>854 020</b>	<b>1 312 925 309</b>
Provisional allocation not assigned to votes	266 795	–	–	–	–	(266 795)	(266 795)	–
Contingency reserve	6 000 000	–	–	–	–	(6 000 000)	(6 000 000)	–
National government projected underspending	–	–	–	–	–	(3 000 000)	(3 000 000)	(3 000 000)
Local government repayment to the National Revenue Fund	–	–	–	–	–	(1 200 000)	(1 200 000)	(1 200 000)
<b>Total estimated expenditure</b>	<b>1 318 338 084</b>	<b>412 231</b>	<b>1 203 347</b>	<b>–</b>	<b>(1 308 300)</b>	<b>(9 920 053)</b>	<b>(9 612 775)</b>	<b>1 308 725 309</b>

**Table 3: Unforeseeable and unavoidable expenditure**

Vote and description of expenditure		R thousand
1	<b>The Presidency</b> R2.1 million for legal fees and costs	2 100
5	<b>Home Affairs</b> R71.340 million for the Electoral Commission for salaries and equipment warehousing costs incurred due to the shifting of the date of the 2016 local government elections from May to August 2016	71 340
6	<b>International Relations and Cooperation</b> R950 million to compensate for the difference between exchange rate projections used when the department compiled its budget and the foreign exchange rate costs prevailing when payments were processed	950 000
14	<b>Basic Education</b> R179.907 million for the repair and rehabilitation of schools, and associated costs including for the provision of mobile classrooms, catch-up camps and the replacement of workbooks	179 907
<b>Total</b>		<b>1 203 347</b>

**Table 4: Appropriation of expenditure earmarked in the 2016 Budget speech for future allocation**

Vote and description of expenditure		R thousand
24	<b>Agriculture, Forestry and Fisheries</b> R212 million to procure animal feed for drought-stricken areas	212 000
36	<b>Water and Sanitation</b> R290.7 million for a packaged mobile desalination plant to be used in coastal areas and R50.6 million for water-tankering and storage for drought-stricken areas	341 300
<b>Total</b>		<b>553 300</b>

**Table 5: Roll-overs**

Vote and description of expenditure		R thousand
3	<b>Communications</b> R1.214 million for the digital terrestrial television awareness campaign	1 214
4	<b>Cooperative Governance and Traditional Affairs</b> R27.858 million for the municipal demarcation transition indirect grant	27 858
12	<b>Statistics South Africa</b> R49.006 million for the capital contribution for the construction of the new head office building	49 006
16	<b>Health</b> R18.858 million for the South African demographic health survey	18 858
26	<b>Energy</b> R5.385 million for the integrated national electrification programme for non-grid electrification service providers	5 385
35	<b>Transport</b> R275.691 million for the provincial roads maintenance grant	275 691
37	<b>Arts and Culture</b> R16.719 million for 2015/16 office accommodation commitments	16 719
38	<b>Human Settlements</b> R17.5 million for computer hardware and software	17 500
<b>Total</b>		<b>412 231</b>

**Table 6: Self-financing expenditure**

Vote and description of expenditure		R thousand
3	<b>Communications</b> Expenditure by the Government Communication and Information System to produce the Vuk'uzenzele Government Newspaper, which is funded from revenue generated through advertising in the newspaper	3 100
5	<b>Home Affairs</b> Expenditure incurred in the issuing of official documentation, which is defrayed by revenue generated from the issuing of the documents	962 325
16	<b>Health</b> Expenditure on preparatory work for establishing the South African Health Products Regulatory Authority, which is defrayed by revenue generated by the Medicines Control Council	26 500
18	<b>Correctional Services</b> R2.250 million in expenditure for the upgrading of production workshop and skills development centres, which is funded by a donation received from the Manufacturing, Engineering and Related Services Sector Education and Training Authority; and R654 000 in expenditure for offender gratuities, which is funded from revenue generated by the hiring out of offender labour	2 904
19	<b>Defence and Military Veterans</b> Expenditure for defence activities, which is defrayed by selling equipment and spares procured through the special defence account	66 720
34	<b>Trade and Industry</b> Unitary payment in respect of the public private partnership for shared campus accommodation, which is funded from unitary payments received from public entities	62 000
<b>Total</b>		<b>1 123 549</b>

**Table 7: Declared unspent funds and projected underspending**

<b>Vote and description of expenditure</b>		<b>R thousand</b>
<b>1</b>	<b>The Presidency</b> R12 million from compensation of employees	12 000
<b>5</b>	<b>Home Affairs</b> R45 million from compensation of employees	45 000
<b>8</b>	<b>Planning, Monitoring and Evaluation</b> R30 million from compensation of employees	30 000
<b>9</b>	<b>Public Enterprises</b> R6 million from compensation of employees	6 000
<b>10</b>	<b>Public Service and Administration</b> R1.5 million from compensation of employees and R5 million from the Public Service Commission	6 500
<b>14</b>	<b>Basic Education</b> R35 million from goods and services	35 000
<b>16</b>	<b>Health</b> R12.3 million from compensation of employees	12 300
<b>17</b>	<b>Social Development</b> R1 billion from social grant payments due to a decrease in the estimates of assistance required, and R4.5 million from compensation of employees	1 004 500
<b>20</b>	<b>Independent Police Investigative Directorate</b> R4 million from compensation of employees	4 000
<b>24</b>	<b>Agriculture, Forestry and Fisheries</b> R30 million from compensation of employees	30 000
<b>27</b>	<b>Environmental Affairs</b> R5 million from compensation of employees	5 000
<b>28</b>	<b>Labour</b> R5 million from compensation of employees	5 000
<b>31</b>	<b>Small Business Development</b> R7 million from compensation of employees	7 000
<b>35</b>	<b>Transport</b> R5 million from compensation of employees	5 000
<b>36</b>	<b>Water and Sanitation</b> R62 million from compensation of employees	62 000
<b>37</b>	<b>Arts and Culture</b> R25 million from capital works projects	25 000
<b>38</b>	<b>Human Settlements</b> R12 million from compensation of employees	12 000
<b>40</b>	<b>Sport and Recreation South Africa</b> R2 million from compensation of employees	2 000
<b>Total declared unspent funds</b>		<b>1 308 300</b>
<b>Projected underspending</b>		<b>3 000 000</b>
<b>Local government repayment to the National Revenue Fund</b>		<b>1 200 000</b>
<b>Total</b>		<b>5 508 300</b>

**Table 8: Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Vote number and title		2015/16				2016/17			
		Audited outcome				Actual expenditure			
R thousand		Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15	Apr 15 - Mar 16	Apr 15 - Mar 16	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16
				% of adjusted appropriation					% of adjusted appropriation
1	The Presidency	475 929	209 276	44.0	466 737	98.1	489 775	239 241	48.8
2	Parliament <sup>1</sup>	1 594 238	–	–	1 693 644	106.2	1 659 631	–	–
3	Communications	1 290 888	621 574	48.2	1 288 042	99.8	1 349 720	666 766	49.4
4	Cooperative Governance and Traditional Affairs	70 815 477	29 517 213	41.7	68 097 537	96.2	73 021 906	27 904 621	38.2
5	Home Affairs	7 348 725	3 415 765	46.5	7 345 969	100.0	8 155 805	4 483 402	55.0
6	International Relations and Cooperation	6 510 854	2 758 467	42.4	6 644 764	102.1	6 838 651	3 152 934	46.1
7	National Treasury	28 726 061	11 352 504	39.5	28 690 816	99.9	28 471 417	15 619 838	54.9
8	Planning, Monitoring and Evaluation	754 200	352 634	46.8	748 777	99.3	797 662	433 950	54.4
9	Public Enterprises	23 302 594	10 100 184	43.3	23 259 675	99.8	267 976	117 826	44.0
10	Public Service and Administration	847 639	370 693	43.7	840 949	99.2	779 846	395 332	50.7
11	Public Works	6 312 222	2 498 709	39.6	6 281 147	99.5	6 512 799	3 255 767	50.0
12	Statistics South Africa	2 323 256	1 032 550	44.4	2 273 540	97.9	2 538 108	1 284 075	50.6
13	Women	189 102	94 050	49.7	188 366	99.6	196 887	96 475	49.0
14	Basic Education	21 286 426	12 293 863	57.8	20 796 125	97.7	22 413 461	11 711 701	52.3
15	Higher Education and Training	42 028 770	29 491 422	70.2	41 943 361	99.8	49 188 279	33 508 228	68.1
16	Health	36 199 136	18 132 380	50.1	35 984 861	99.4	38 597 416	18 911 750	49.0
17	Social Development	137 893 640	67 654 308	49.1	136 405 673	98.9	147 933 229	72 717 563	49.2
18	Correctional Services	20 588 554	9 876 257	48.0	20 588 675	100.0	21 580 191	10 993 766	50.9
19	Defence and Military Veterans	45 088 161	20 747 860	46.0	45 071 534	100.0	47 236 465	22 625 697	47.9
20	Independent Police Investigative Directorate	234 781	112 896	48.1	234 157	99.7	242 111	134 768	55.7
21	Justice and Constitutional Development	15 010 773	6 915 238	46.1	14 971 780	99.7	16 040 736	7 892 363	49.2
22	Office of the Chief Justice and Judicial Administration	783 379	306 613	39.1	767 686	98.0	873 990	390 250	44.7
23	Police	76 720 848	36 004 490	46.9	76 720 801	100.0	80 984 851	38 921 817	48.1
24	Agriculture, Forestry and Fisheries	6 408 750	3 466 969	54.1	6 400 542	99.9	6 514 965	3 370 408	51.7
25	Economic Development	885 778	423 927	47.9	883 733	99.8	674 661	341 260	50.6
26	Energy	7 267 619	4 549 691	62.6	7 142 117	98.3	7 550 556	4 667 008	61.8
27	Environmental Affairs	5 943 297	2 861 532	48.1	5 937 920	99.9	6 425 101	2 708 633	42.2
28	Labour	2 704 234	1 218 143	45.0	2 611 995	96.6	2 842 877	1 406 093	49.5
29	Mineral Resources	1 638 542	924 816	56.4	1 638 481	100.0	1 669 077	917 784	55.0
30	Science and Technology	7 466 106	4 850 278	65.0	7 437 462	99.6	7 428 996	5 101 856	68.7
31	Small Business Development	1 127 520	547 719	48.6	1 098 891	97.5	1 318 439	617 810	46.9
32	Telecommunications and Postal Services	1 405 253	791 912	56.4	1 300 097	92.5	2 417 412	1 379 362	57.1
33	Tourism	1 794 178	932 326	52.0	1 777 394	99.1	2 009 516	1 007 050	50.1
34	Trade and Industry	9 497 844	3 622 653	38.1	9 471 659	99.7	10 389 517	4 539 516	43.7
35	Transport	53 615 077	27 194 749	50.7	53 320 787	99.5	56 285 854	25 534 113	45.4
36	Water and Sanitation	15 746 530	4 807 732	30.5	15 556 974	98.8	15 524 597	7 371 163	47.5
37	Arts and Culture	3 826 047	1 728 457	45.2	3 762 353	98.3	4 062 572	1 976 252	48.6
38	Human Settlements	30 543 381	13 126 906	43.0	30 034 544	98.3	30 696 356	13 029 754	42.4
39	Rural Development and Land Reform	9 197 361	3 611 255	39.3	9 118 047	99.1	10 124 345	4 310 029	42.6
40	Sport and Recreation South Africa	980 879	423 485	43.2	979 902	99.9	1 026 600	485 817	47.3
<b>Total expenditure by vote</b>		<b>706 374 049</b>	<b>338 941 496</b>	<b>48.0</b>	<b>699 777 514</b>	<b>99.1</b>	<b>723 132 353</b>	<b>354 222 038</b>	<b>49.0</b>

**Table 8: Expenditure outcome for 2015/16 and actual expenditure for 2016/17 (continued)**

R thousand	2015/16 Audited outcome				2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
Plus:								
<b>Total direct charges against the National Revenue Fund</b>	<b>544 755 965</b>	<b>266 788 802</b>	<b>49.0</b>	<b>544 847 957</b>	<b>100.0</b>	<b>589 792 956</b>	<b>289 500 467</b>	<b>49.1</b>
President and deputy president salaries (The Presidency)	5 726	2 809	49.1	5 620	98.1	6 035	2 917	48.3
Members' remuneration (Parliament)	503 132	–	–	440 296	87.5	529 798	–	–
Debt-service costs (National Treasury)	127 902 018	62 645 110	49.0	128 795 565	100.7	147 689 225	71 684 052	48.5
Provincial equitable share (National Treasury)	386 500 009	191 336 757	49.5	386 500 009	100.0	410 698 585	205 349 310	50.0
General fuel levy sharing with metropolitan municipalities (National Treasury)	10 658 909	3 552 969	33.3	10 658 909	100.0	11 223 831	3 741 276	33.3
National Revenue Fund payments (National Treasury)	681 654	512 424	75.2	681 654	100.0	1 221 393	231 434	18.9
Skills levy and sector education and training authorities (Higher Education and Training)	15 800 000	7 502 166	47.5	15 156 433	95.9	15 462 170	7 127 910	46.1
Magistrates' salaries (Justice and Constitutional Development)	1 830 769	817 564	44.7	1 721 789	94.0	2 010 162	886 902	44.1
Judges' salaries (Office of the Chief Justice and Judicial Administration)	873 748	419 003	48.0	887 682	101.6	950 057	476 666	50.2
International Oil Pollution Compensation Fund (Transport)	–	–	–	–	–	1 700	–	–
<b>Total</b>	<b>1 251 130 014</b>	<b>605 730 298</b>	<b>48.4</b>	<b>1 244 625 471</b>	<b>99.5</b>	<b>1 312 925 309</b>	<b>643 722 505</b>	<b>49.0</b>
<b>Economic classification</b>								
<b>Current payments</b>								
Compensation of employees	137 877 930	65 923 326	47.8	137 278 536	99.6	149 152 858	72 256 403	48.4
Goods and services	61 956 109	26 659 732	43.0	59 898 595	96.7	65 146 320	29 470 381	45.2
Interest and rent on land	128 008 915	62 675 765	49.0	128 910 608	100.7	147 788 937	71 713 440	48.5
<b>Total current payments</b>	<b>327 842 954</b>	<b>155 258 823</b>	<b>47.4</b>	<b>326 087 739</b>	<b>99.5</b>	<b>362 088 115</b>	<b>173 440 224</b>	<b>47.9</b>
<b>Transfers and subsidies</b>								
Provinces and municipalities	572 892 209	275 339 900	48.1	570 139 965	99.5	605 571 850	290 173 758	47.9
Departmental agencies and accounts	94 854 091	48 506 767	51.1	92 870 786	97.9	101 330 756	56 092 069	55.4
Higher education institutions	26 434 598	20 541 720	77.7	26 544 631	100.4	28 116 527	20 605 838	73.3
Foreign governments and international organisations	1 779 621	364 662	20.5	1 932 878	108.6	2 157 876	436 169	20.2
Public corporations and private enterprises	35 245 878	19 424 176	55.1	35 934 386	102.0	36 340 595	16 824 028	46.3
Non-profit institutions	3 431 893	1 391 157	40.5	3 110 725	90.6	3 523 795	1 539 039	43.7
Households	141 414 502	68 524 112	48.5	139 911 811	98.9	153 248 596	74 058 630	48.3
<b>Total transfers and subsidies</b>	<b>876 052 792</b>	<b>434 092 494</b>	<b>49.6</b>	<b>870 445 182</b>	<b>99.4</b>	<b>930 289 995</b>	<b>459 729 531</b>	<b>49.4</b>
<b>Payments for capital assets</b>								
Buildings and other fixed structures	13 653 475	3 770 464	27.6	13 575 474	99.4	10 782 647	4 646 372	43.1
Machinery and equipment	3 885 083	855 809	22.0	4 366 839	112.4	3 711 705	867 430	23.4
Heritage assets	–	15	–	283	–	2 000	–	–
Specialised military assets	12 143	15 549	128.0	58 098	478.4	993	11 454	1 153.5
Biological assets	12 699	1 362	10.7	6 640	52.3	10 211	4 777	46.8
Land and subsoil assets	90 554	78 213	86.4	90 555	100.0	4 406	15 829	359.3
Software and other intangible assets	123 136	25 775	20.9	119 447	97.0	57 551	32 578	56.6
<b>Total payments for capital asset</b>	<b>17 777 090</b>	<b>4 747 187</b>	<b>26.7</b>	<b>18 217 336</b>	<b>102.5</b>	<b>14 569 513</b>	<b>5 578 440</b>	<b>38.3</b>
<b>Total payments for financial assets</b>	<b>29 457 178</b>	<b>11 631 794</b>	<b>39.5</b>	<b>29 875 214</b>	<b>101.4</b>	<b>5 977 686</b>	<b>4 974 310</b>	<b>83.2</b>
<b>Total</b>	<b>1 251 130 014</b>	<b>605 730 298</b>	<b>48.4</b>	<b>1 244 625 471</b>	<b>99.5</b>	<b>1 312 925 309</b>	<b>643 722 505</b>	<b>49.0</b>

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

**Table 9: Departmental receipts per vote**

Vote number and title		2015/16					2016/17			
		Audited outcome					Actual receipts			
		Adjusted estimate	Apr 15 - Sep 15		Apr 15 - Mar 16		Budget estimate	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16
Apr 15 - Sep 15	adjusted estimate		Apr 15 - Mar 16	adjusted estimate	adjusted estimate					
R thousand			% of	% of				% of		
1	The Presidency	2 972	2 618	88.1	2 924	98.4	452	1 069	593	55.5
2	Parliament <sup>1</sup>	30 725	–	–	33 735	109.8	36 066	36 066	–	–
3	Communications	1 025 126	717 111	70.0	1 328 069	129.6	1 025 794	1 026 751	852 752	83.1
4	Cooperative Governance and Traditional Affairs	1 148	564	49.1	1 116	97.2	1 165	1 165	940	80.7
5	Home Affairs	921 911	336 731	36.5	732 121	79.4	989 879	962 325	608 194	63.2
6	International Relations and Cooperation	41 846	13 928	33.3	34 884	83.4	42 740	24 340	19 354	79.5
7	National Treasury	13 157 419	7 001 447	53.2	19 979 853	151.9	16 390 199	19 852 759	15 342 199	77.3
8	Planning, Monitoring and Evaluation	266	189	71.1	417	156.8	143	602	426	70.8
9	Public Enterprises	1 161	167	14.4	3 377	290.9	109	1 083	40	3.7
10	Public Service and Administration	1 460	1 135	77.7	1 441	98.7	825	653	139	21.3
11	Public Works	1 878	1 328	70.7	7 106	378.4	1 474	2 764	1 834	66.4
12	Statistics South Africa	2 924	2 362	80.8	10 055	343.9	1 428	3 207	1 616	50.4
13	Women	32	16	50.0	42	131.3	34	306	281	91.8
14	Basic Education	12 067	6 659	55.2	18 254	151.3	7 081	16 001	7 823	48.9
15	Higher Education and Training	14 143	7 615	53.8	15 444	109.2	11 494	37 883	30 204	79.7
16	Health	44 605	29 463	66.1	53 885	120.8	54 860	69 125	34 548	50.0
17	Social Development	57 819	254	0.4	23 926	41.4	88 395	49 416	199	0.4
18	Correctional Services	124 437	63 550	51.1	129 317	103.9	125 790	130 978	66 840	51.0
19	Defence and Military Veterans	818 166	301 452	36.8	1 082 623	132.3	842 710	842 710	519 118	61.6
20	Independent Police Investigative Directorate	178	75	42.1	161	90.4	191	307	222	72.3
21	Justice and Constitutional Development	300 954	147 478	49.0	328 627	109.2	358 186	460 254	185 877	40.4
22	Office of the Chief Justice and Judicial Administration	354	354	100.0	778	219.8	784	784	499	63.6
23	Police	343 841	213 738	62.2	478 192	139.1	296 700	497 993	269 285	54.1
24	Agriculture, Forestry and Fisheries	206 326	111 509	54.0	212 414	103.0	216 643	227 198	108 582	47.8
25	Economic Development	668 650	506 515	75.8	50 296	7.5	908 329	908 376	202 714	22.3
26	Energy	3 950	2 608	66.0	805 987	20 404.7	4 840	5 975	3 546	59.3
27	Environmental Affairs	10 955	5 622	51.3	11 486	104.8	27 311	28 294	14 719	52.0
28	Labour	12 813	5 081	39.7	10 056	78.5	12 323	12 866	6 433	50.0
29	Mineral Resources	34 402	16 036	46.6	29 763	86.5	27 578	30 157	18 859	62.5
30	Science and Technology	357	239	66.9	514	144.0	121	7 000	5 725	81.8
31	Small Business Development	180	91	50.6	121	67.2	50	50	24	48.0
32	Telecommunications and Postal Services	27 633 930	13 934 289	50.4	26 804 435	97.0	508 093	559 537	559 413	100.0
33	Tourism	1 864	938	50.3	6 770	363.2	1 832	5 274	4 667	88.5
34	Trade and Industry	81 996	22 427	27.4	61 979	75.6	85 428	82 155	47 601	57.9
35	Transport	210 252	208 082	99.0	209 935	99.8	80 881	276 607	25 723	9.3
36	Water and Sanitation	19 092	5 746	30.1	11 008	57.7	18 148	20 874	17 123	82.0
37	Arts and Culture	3 205	2 480	77.4	2 970	92.7	758	2 342	1 031	44.0
38	Human Settlements	1 695	924	54.5	1 237	73.0	519	764	339	44.4
39	Rural Development and Land Reform	91 431	24 186	26.5	54 643	59.8	93 173	95 812	25 831	27.0
40	Sport and Recreation South Africa	273	204	74.7	406	148.7	315	92	46	50.0
<b>Subtotal departmental receipts as per Adjusted Estimates of National Expenditure</b>		<b>45 886 803</b>	<b>23 695 211</b>	<b>51.6</b>	<b>52 540 367</b>	<b>114.5</b>	<b>22 262 841</b>	<b>26 281 914</b>	<b>18 985 359</b>	<b>72.2</b>
Less: Parliament (retained departmental receipts)		30 725	–	–	33 735	109.8	36 066	36 066	–	–
Plus: South African Revenue Service		3 208 348	1 589 521	49.5	3 743 388	116.7	4 447 940	4 877 635	2 314 451	47.5
<i>Of which:</i>										
<i>Mineral and petroleum royalties</i>		3 200 000	1 577 762	49.3	3 707 898	115.9	4 430 000	4 840 206	2 292 829	47.4
<i>Mining leases and ownership</i>		8 348	11 759	140.9	35 490	425.1	17 940	37 429	21 622	57.8
<b>Total departmental receipts</b>		<b>49 064 426</b>	<b>25 284 732</b>	<b>51.5</b>	<b>56 250 020</b>	<b>114.6</b>	<b>26 674 715</b>	<b>31 123 483</b>	<b>21 299 810</b>	<b>68.4</b>

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

**Table 9.1: Departmental receipts per economic classification**

Economic classification	2015/16					2016/17			
	Adjusted estimate	Audited outcome			Actual receipts				
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>									
Tax receipts	4 110	1 352	32.9	2 986	72.7	5 112	4 000	1 781	44.5
Sales of goods and services other than capital assets	1 855 801	835 562	45.0	1 844 889	99.4	1 821 037	2 123 682	1 292 315	60.9
Transfers received	187 530	95 149	50.7	530 678	283.0	511 262	235 398	93 198	39.6
Fines, penalties and forfeits	892 925	634 709	71.1	288 623	32.3	1 123 044	1 217 764	332 710	27.3
Interest, dividends and rent on land	6 428 103	3 074 286	47.8	6 366 386	99.0	3 804 070	5 052 629	2 105 539	41.7
Sales of capital assets	97 416	35 320	36.3	121 341	124.6	57 970	168 517	84 689	50.3
Financial transactions in assets and liabilities	36 420 918	19 018 833	52.2	43 385 464	119.1	14 940 346	17 479 924	15 075 127	86.2
<b>Subtotal departmental receipts as per Adjusted Estimates of National Expenditure</b>	<b>45 886 803</b>	<b>23 695 211</b>	<b>51.6</b>	<b>52 540 367</b>	<b>114.5</b>	<b>22 262 841</b>	<b>26 281 914</b>	<b>18 985 359</b>	<b>72.2</b>



# Information contained in each chapter

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

## Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>				
<i>of which:</i>				
Current payments				
Transfers and subsidies				
Payments for capital assets				
Payments for financial assets				
<b>Direct charge against the</b>				
<b>National Revenue Fund</b>				
Executive authority				
Accounting officer				
Website address				

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

**Main appropriation** shows the total amount voted for the current financial year in the Appropriation Act (2016), in terms of the main Budget.

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

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

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

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

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

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

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

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

## Vote purpose

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

## Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17

Managing, monitoring and measuring performance are integral to improving service delivery. The table shows what a department has achieved in the first six months of the current financial year, compared to what it projected for the year<sup>11</sup>.

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

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

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

**Projected for 2016/17 as published in the 2016 ENE** shows what the department projected it would achieve for the current financial year.

**Achieved in the first six months of 2016/17** shows what the department has actually achieved in the first half of the current financial year.

**Changed target for 2016/17** shows any change to the target originally published in the ENE. Estimates will change only in some of the cases where the funding provided for a particular programme has been amended in the Adjustments Appropriation Bill.

### Changes to indicators and targets published in the 2016 ENE

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

### Mid-year progress

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

<sup>11</sup> This table is not intended to provide a comprehensive view of a department's performance, because it shows a selected subset of a department's indicators, as published in the ENE. It should, however, contain the key performance indicators that form part of department's performance plans.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme name								
<b>Subtotal</b>								
<b>Direct charge against the National Revenue Fund</b>								
Item								
<b>Total</b>								
<b>Economic classification</b>								
<b>Current payments</b>								
Economic classification item								
<b>Transfers and subsidies</b>								
Economic classification item								
<b>Payments for capital assets</b>								
Economic classification item								
<b>Payments for financial assets</b>								
<b>Total</b>								

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

**Main appropriation** shows the total amount voted for the current financial year in the Appropriation Act (2016), in terms of the main Budget process.

**Adjustments appropriation** shows the amounts of the adjustment for each of the types of expenditure adjustment by programme and by economic classification.

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

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

### Virements and shifts:

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

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

**Other adjustments** include funds shifted within votes following a function shift, all funds shifted between votes, the appropriation of expenditure earmarked in the 2016 Budget speech for future allocation, and self-financing expenditure.

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

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

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

## Details of adjustments to the Estimates of National Expenditure 2016

This section gives explanations by programme for:

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

### Virements and shifts

Programme by economic classification			Programme by economic classification		
Programme number	Motivation	R thousand	Programme number	Motivation	R thousand
Economic classification item			Economic classification item		
Shifts within the programme as a percentage of the programme budget		per cent	Shifts within the programme as a percentage of the programme budget		per cent
Virements to other programmes as a percentage of the programme budget		per cent	Virements to other programmes as a percentage of the programme budget		per cent
Programme number			Programme number		
Economic classification item			Economic classification item		
Shifts within the programme as a percentage of the programme budget		per cent	Shifts within the programme as a percentage of the programme budget		per cent
Virements to other programmes as a percentage of the programme budget		per cent	Virements to other programmes as a percentage of the programme budget		per cent
Total			Total		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

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

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

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

**R thousands** shows the monetary amounts.

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

In terms of the PFMA<sup>12</sup>, the Treasury Regulations<sup>12</sup>, and the Appropriation Act (2016)<sup>12</sup>, the following virements and shifts require approval from National Treasury. Those which:

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

The following virements and shifts can only be approved by the legislature<sup>12</sup>. Those which:

- use funds appropriated for items specifically and exclusively earmarked in an Appropriation Act, including the vote's compensation of employees allocation
- use unspent funds totalling more than 8 per cent of the amount appropriated for a programme. (Shifts between different segments within a programme do not affect the overall amount appropriated for a programme; only virements from a programme effectively reduce a programme budget.)
- use funds appropriated for compensation of employees that cannot be approved by the National Treasury
- use funds appropriated as transfers and subsidies that cannot be approved by the National Treasury
- use funds appropriated for payments for capital assets that cannot be approved by the National Treasury.

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

- Declared unspent funds
- Other adjustments, which include funds shifted within votes following a function shift, all funds shifted between votes, the appropriation of expenditure earmarked in the 2016 Budget speech for future allocation, and self-financing expenditure
- Gifts, donations and sponsorships that are valued at more than R100 000 per transaction
- Direct charges against the National Revenue Fund (these are not linked to a programme within a vote).

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<sup>12</sup> Section 43 of the PFMA read in conjunction with Treasury Regulations 6.3 and Section 5 of the Appropriation Act (2016).

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of Adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
R thousand									
1. Programme name									
<b>Subtotal</b>									
<b>Direct charge against the National Revenue Fund</b>									
Item									
<b>Total</b>									
<b>Economic classification</b>									
<b>Current payments</b>									
Economic classification item									
<b>Transfers and subsidies</b>									
Economic classification item									
<b>Payments for capital assets</b>									
Economic classification item									
<b>Payments for financial assets</b>									
<b>Total</b>									

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

**2015/16 Audited outcome** shows the outcome for the previous financial year.

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

**Apr 15 to Sep 15** shows the expenditure outcome for the first six months of the previous financial year.

**Apr 15 to Sep 15 % of adjusted appropriation** shows the expenditure outcome for the first six months of the previous financial year as a percentage of the adjusted appropriation for that year.

**Apr 15 to Mar 16** shows the expenditure outcome for the whole of the previous financial year.

**Apr 15 to Mar 16 % of adjusted appropriation** shows the expenditure outcome for the whole of the previous financial year as a percentage of the adjusted appropriation for that year.

**2016/17 Actual expenditure** shows the preliminary actual expenditure for the current financial year.

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

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

**Apr 16 to Sep 16** shows the actual expenditure for the first six months of the current financial year.

**Apr 16 to Sep 16 % of adjusted appropriation** shows the actual expenditure for the first six months of the current financial year as a percentage of the adjusted appropriation for the year.

## Expenditure trends for the first half of 2016/17

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

Where functions have shifted between votes or new votes have been created subsequent to the publication of the 2015 Adjusted Estimates of National Expenditure, the information in this publication may not be strictly comparable with that published last year.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	
<b>Departmental receipts</b>										
Economic classification item										
<b>National Revenue Fund receipts</b>										
Economic classification item										
<b>Total</b>										

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

**2015/16 Audited outcome** shows the departmental receipts outcome for the previous financial year.

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

**Apr 15 to Sep 15** shows the receipts outcome for the first six months of the previous financial year.

**Apr 15 to Sep 15 % of adjusted estimate** shows the receipts outcome for the first six months of the previous financial year as a percentage of the adjusted estimate for that year.

**Apr 15 to Mar 16** shows the receipts outcome for the whole of the previous financial year.

**Apr 15 to Mar 16 % of adjusted estimate** shows the receipts outcome for the whole of the previous financial year as a percentage of the adjusted estimate for that year.

**2016/17 Actual receipts** shows the preliminary receipts outcome for the current financial year.

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

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

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

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

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

## Revenue trends for the first half of 2016/17

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

Where functions have shifted between votes or new votes have been created subsequent to the publication of the 2015 Adjusted Estimates of National Expenditure, the information in this publication may not be strictly comparable with that published last year.

## Changes to transfers and subsidies, including conditional grants

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

		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme name								
Economic sphere								
Current								
Economic classification item								
Programme name								
Economic sphere								
Capital								
Economic classification item								

### Summary of changes to conditional grants: Provinces

		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme name								
Conditional grant name								

### Summary of changes to conditional grants: Local government

		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme name								
Conditional grant name								

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

**Main appropriation** shows the total amount voted for the current financial year in the Appropriation Act (2016), in terms of the main Budget process.

**Adjustments appropriation** shows the amounts of the adjustment for each of the types of expenditure adjustment by programme and by economic classification.

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

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

**Virements and shifts:**

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

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

**Other adjustments** include funds shifted within votes following a function shift, all funds shifted between votes, the appropriation of expenditure earmarked in the 2016 Budget speech for future allocation and self-financing expenditure.

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

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



# Vote 1

## The Presidency

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>499 675</b>	<b>489 775</b>	<b>(9 900)</b>	<b>-</b>
Current payments	485 764	473 377	(12 387)	-
Transfers and subsidies	34	2 396	-	2 362
Payments for capital assets	13 877	14 002	-	125
<b>Direct charge against the National Revenue Fund</b>	<b>6 035</b>	<b>6 035</b>	<b>-</b>	<b>-</b>
Executive authority	Director-General in the Presidency			
Accounting officer	Chief Operations Officer in the Presidency			
Website address	<a href="http://www.thepresidency.gov.za">www.thepresidency.gov.za</a>			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of convened Cabinet committee meetings supported per year	Executive Support	Outcome 12: An efficient, effective and development oriented public service	118	58	-
Number of convened forum of South African directors general meetings supported per year	Executive Support		74	33	-

### Mid-year progress

The Presidency is on track to meet its annual targets. In order to enable the Executive to foster better policy coherence and strategic alignment and greater shared accountability regarding the implementation of the strategic agenda of government, by the end of the first half of 2016/17, the secretariat of the forum of South African directors general had convened 33 meetings, against the annual target of 74.

The Cabinet secretariat continues to provide support to Cabinet. The number of Cabinet committee meetings supported was 58 against an annual estimate of 118 supported meetings. Several of the planned meetings had to be postponed on account of the 2016 local government elections held in August 2016.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	453 351	–	2 100	8 766	(10 000)	–	866	454 217
Executive Support	46 324	–	–	(8 766)	(2 000)	–	(10 766)	35 558
<b>Subtotal</b>	<b>499 675</b>	<b>–</b>	<b>2 100</b>	<b>–</b>	<b>(12 000)</b>	<b>–</b>	<b>(9 900)</b>	<b>489 775</b>
<b>Direct charge against the National Revenue Fund</b>	<b>6 035</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6 035</b>
Salary of the President	3 274	–	–	–	–	–	–	3 274
Salary of the Deputy President	2 761	–	–	–	–	–	–	2 761
<b>Total</b>	<b>505 710</b>	<b>–</b>	<b>2 100</b>	<b>–</b>	<b>(12 000)</b>	<b>–</b>	<b>(9 900)</b>	<b>495 810</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>491 799</b>	<b>–</b>	<b>2 100</b>	<b>(2 487)</b>	<b>(12 000)</b>	<b>–</b>	<b>(12 387)</b>	<b>479 412</b>
Compensation of employees	328 996	–	–	(2 362)	(12 000)	–	(14 362)	314 634
Goods and services	162 803	–	2 100	(125)	–	–	1 975	164 778
<b>Transfers and subsidies</b>	<b>34</b>	<b>–</b>	<b>–</b>	<b>2 362</b>	<b>–</b>	<b>–</b>	<b>2 362</b>	<b>2 396</b>
Departmental agencies and accounts	34	–	–	–	–	–	–	34
Households	–	–	–	2 362	–	–	2 362	2 362
<b>Payments for capital assets</b>	<b>13 877</b>	<b>–</b>	<b>–</b>	<b>125</b>	<b>–</b>	<b>–</b>	<b>125</b>	<b>14 002</b>
Machinery and equipment	13 877	–	–	125	–	–	125	14 002
<b>Total</b>	<b>505 710</b>	<b>–</b>	<b>2 100</b>	<b>–</b>	<b>(12 000)</b>	<b>–</b>	<b>(9 900)</b>	<b>495 810</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Management	335 240	–	2 100	9 035	(7 438)	–	3 697	338 937
Support Services to President	66 040	–	–	(100)	(1 848)	–	(1 948)	64 092
Support Services to Deputy President	52 071	–	–	(169)	(714)	–	(883)	51 188
<b>Total</b>	<b>453 351</b>	<b>–</b>	<b>2 100</b>	<b>8 766</b>	<b>(10 000)</b>	<b>–</b>	<b>866</b>	<b>454 217</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>440 576</b>	<b>–</b>	<b>2 100</b>	<b>6 858</b>	<b>(10 000)</b>	<b>–</b>	<b>(1 042)</b>	<b>439 534</b>
Compensation of employees	303 743	–	–	(1 783)	(10 000)	–	(11 783)	291 960
Goods and services	136 833	–	2 100	8 641	–	–	10 741	147 574
<b>Transfers and subsidies</b>	<b>34</b>	<b>–</b>	<b>–</b>	<b>1 783</b>	<b>–</b>	<b>–</b>	<b>1 783</b>	<b>1 817</b>
Departmental agencies and accounts	34	–	–	–	–	–	–	34
Households	–	–	–	1 783	–	–	1 783	1 783
<b>Payments for capital assets</b>	<b>12 741</b>	<b>–</b>	<b>–</b>	<b>125</b>	<b>–</b>	<b>–</b>	<b>125</b>	<b>12 866</b>
Machinery and equipment	12 741	–	–	125	–	–	125	12 866
<b>Total</b>	<b>453 351</b>	<b>–</b>	<b>2 100</b>	<b>8 766</b>	<b>(10 000)</b>	<b>–</b>	<b>866</b>	<b>454 217</b>

## Programme 2: Executive Support

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Cabinet Services	46 324	–	–	(8 766)	(2 000)	–	(10 766)	35 558
<b>Total</b>	<b>46 324</b>	<b>–</b>	<b>–</b>	<b>(8 766)</b>	<b>(2 000)</b>	<b>–</b>	<b>(10 766)</b>	<b>35 558</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>45 188</b>	<b>–</b>	<b>–</b>	<b>(9 345)</b>	<b>(2 000)</b>	<b>–</b>	<b>(11 345)</b>	<b>33 843</b>
Compensation of employees	19 218	–	–	(579)	(2 000)	–	(2 579)	16 639
Goods and services	25 970	–	–	(8 766)	–	–	(8 766)	17 204
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>579</b>	<b>–</b>	<b>–</b>	<b>579</b>	<b>579</b>
Households	–	–	–	579	–	–	579	579
<b>Payments for capital assets</b>	<b>1 136</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 136</b>
Machinery and equipment	1 136	–	–	–	–	–	–	1 136
<b>Total</b>	<b>46 324</b>	<b>–</b>	<b>–</b>	<b>(8 766)</b>	<b>(2 000)</b>	<b>–</b>	<b>(10 766)</b>	<b>35 558</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Unforeseeable and unavoidable expenditure – R2.100 million

Programme 1: Administration

An additional R2.100 million has been allocated for increased legal fees and related costs.

### Virements and shifts within votes

Programmes					
1. Administration					
2. Executive Support					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>			<b>Programme 1</b>		
Goods and services	Reclassification of funds incorrectly classified as renting, hiring and operating payments in the 2016 ENE	(125)	Machinery and equipment	Correct classification of item as payments for finance assets and to provide for an increase in subscription fees	125
Compensation of employees	Vacant posts <sup>1</sup>	(1 783)	Households	Leave gratuities and severance package settlement	1 783
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>			<b>Programme 1</b>		
Goods and services	Reallocation of funds from computer services due to delays in the implementation of the e-Cabinet document management and distribution system <sup>1</sup>	(8 766)	Goods and services	Implementation of the planned upgrade and reconfiguration of the electromagnetic capacity data storage device system <sup>1</sup>	8 766
Compensation of employees	Vacant posts <sup>1</sup>	(579)	<b>Programme 2</b>		<b>579</b>
			Households	Leave gratuities	579
Shifts within the programme as a percentage of the programme budget		1.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>18.9%</b> <sup>2</sup>			
<b>Total</b>		<b>(11 253)</b>	<b>11 253</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

### Declared unspent funds – R12 million

R12 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceiling.

Programme 1: Administration

R10 million

Programme 2: Executive Support

R2 million

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
Administration	443 661	199 426	45.0	446 212	100.6	454 217	91.6	229 596	50.5	
Executive Support	32 268	9 850	30.5	20 525	63.6	35 558	7.2	9 645	27.1	
<b>Subtotal</b>	<b>475 929</b>	<b>209 276</b>	<b>44.0</b>	<b>466 737</b>	<b>98.1</b>	<b>489 775</b>	<b>98.8</b>	<b>239 241</b>	<b>48.8</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>5 726</b>	<b>2 809</b>	<b>49.1</b>	<b>5 620</b>	<b>98.1</b>	<b>6 035</b>	<b>1.2</b>	<b>2 917</b>	<b>48.3</b>	
Salary of the president	3 109	1 508	48.5	2 885	92.8	3 274	0.7	1 559	47.6	
Salary of the deputy president	2 617	1 301	49.7	2 735	104.5	2 761	0.6	1 358	49.2	
<b>Total</b>	<b>481 655</b>	<b>212 085</b>	<b>44.0</b>	<b>472 357</b>	<b>98.1</b>	<b>495 810</b>	<b>100.0</b>	<b>242 158</b>	<b>48.8</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>465 531</b>	<b>207 082</b>	<b>44.5</b>	<b>431 372</b>	<b>92.7</b>	<b>479 412</b>	<b>96.7</b>	<b>234 083</b>	<b>48.8</b>	
Compensation of employees	301 829	149 336	49.5	295 098	97.8	314 634	63.5	152 867	48.6	
Goods and services	163 702	57 746	35.3	136 274	83.2	164 778	33.2	81 171	49.3	
Interest and rent on land	–	–	–	–	–	–	–	45	–	
<b>Transfers and subsidies</b>	<b>876</b>	<b>838</b>	<b>95.7</b>	<b>1 056</b>	<b>120.5</b>	<b>2 396</b>	<b>0.5</b>	<b>2 442</b>	<b>101.9</b>	
Provinces and municipalities	2	2	100.0	4	200.0	–	–	–	–	
Departmental agencies and accounts	50	–	–	3	6.0	34	–	–	–	
Households	824	836	101.5	1 049	127.3	2 362	0.5	2 442	103.4	
<b>Payments for capital assets</b>	<b>15 248</b>	<b>4 165</b>	<b>27.3</b>	<b>38 793</b>	<b>254.4</b>	<b>14 002</b>	<b>2.8</b>	<b>5 633</b>	<b>40.2</b>	
Machinery and equipment	15 185	4 165	27.4	38 793	255.5	14 002	2.8	5 633	40.2	
Software and other intangible assets	63	–	–	–	–	–	–	–	–	
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 136</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	
<b>Total</b>	<b>481 655</b>	<b>212 085</b>	<b>44.0</b>	<b>472 357</b>	<b>98.1</b>	<b>495 810</b>	<b>100.0</b>	<b>242 158</b>	<b>48.8</b>	

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 98.1 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R242.2 million, or 48.8 per cent of the adjusted appropriation of R495.8 million for the year. In comparison, mid-year expenditure in 2015/16 was R212.1 million, or 44 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R30.1 million, or 14.2 per cent. This was mainly due to improved internal systems resulting in the processing of more foreign travel invoices and claims for payment than in the previous year. The increase is also attributable to higher legal costs than in the previous year.

**Departmental receipts**

	2015/16 Audited outcome					2016/17 Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>2 972</b>	<b>2 618</b>	<b>88.1</b>	<b>2 924</b>	<b>98.4</b>	<b>452</b>	<b>1 069</b>	<b>100.0</b>	<b>593</b>	<b>55.5</b>
Sales of goods and services produced by department	371	182	49.1	355	95.7	367	357	33.4	174	48.7
Transfers received	–	–	–	–	–	–	244	22.8	–	–
Interest, dividends and rent on land	106	53	50.0	107	100.9	10	11	1.0	5	45.5
Sales of capital assets	495	495	100.0	495	100.0	–	150	14.0	107	71.3
Transactions in financial assets and liabilities	2 000	1 888	94.4	1 967	98.4	75	307	28.7	307	100.0
<b>Total</b>	<b>2 972</b>	<b>2 618</b>	<b>88.1</b>	<b>2 924</b>	<b>98.4</b>	<b>452</b>	<b>1 069</b>	<b>100.0</b>	<b>593</b>	<b>55.5</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R593 000, or 55.5 per cent of the adjusted revenue estimate of R1.1 million for the year. In comparison, mid-year revenue in 2015/16 was R2.6 million, or 88.1 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R2 million, or 77.3 per cent. The higher revenue in 2015/16 was because of a once-off cost recovery of R2 million.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	1 783	-	-	1 783	1 783
Employee social benefits	-	-	-	1 783	-	-	1 783	1 783
<b>Executive Support</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	579	-	-	579	579
Employee social benefits	-	-	-	579	-	-	579	579



# Vote 2

## Parliament

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



# Vote 3

## Communications

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 345 406</b>	<b>1 349 720</b>	<b>-</b>	<b>4 314</b>
<b>of which:</b>				
Current payments	75 120	113 971	-	38 851
Transfers and subsidies	1 270 202	1 231 949	(38 253)	-
Payments for capital assets	84	3 800	-	3 716
Executive authority	Minister of Communications			
Accounting officer	Director-General of Communications			
Website address	www.doc.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of community radio stations provided with broadcasting infrastructure per year	Communications Policy, Research and Development	Outcome 14: Nation building and social cohesion	5	0	-
Number of digital broadcasting awareness campaigns hosted per year	Industry and Capacity Development		10	25	-
Number of reports per year showing consumer access to digital broadcasting, particularly those supported by government programmes	Industry and Capacity Development		4	2	-
Number of position papers tabled at multilateral engagements per year	Industry and Capacity Development		2	3	-
Number of stakeholder engagements coordinated per year	Industry and Capacity Development		10	8	-
Number of shareholder compact accountability instruments signed per year	Entity Oversight		5	4	-

### Mid-year progress

The number of community radio stations provided with broadcasting infrastructure will only be implemented in the third and fourth quarter of 2016/17.

In the first six months, the *Industry and Capacity Development* programme has exceeded the annual target of hosting digital broadcasting awareness campaigns. The overachievement of 25 campaigns was mainly due to the door-to-door engagements conducted for the registrations and preparations for the signal switch-off in Northern Cape.

In the first six months, the *Industry and Capacity Development* programme tabled 3 position papers at multilateral engagements against the set target of 2. The target was exceeded due to the development of a

catch-up programme which enforces continuous progress updates on the status quo of the country at large with regard to analogue switching off to Southern African Development Community and other stakeholders.

The *Entity Oversight* programme managed to coordinate 8 stakeholder engagements against the annual target of 10 engagements. The programme also managed to sign 4 of the 5 targeted shareholder compact accountability instruments, due to intensified consultations and negotiations with the councillors of the Independent Communications Authority of South Africa.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	45 102	-	-	12 001	-	-	12 001	57 103
Communications Policy, Research and Development	8 400	-	-	(672)	-	-	(672)	7 728
Industry and Capacity Development	10 894	1 214	-	35 584	-	-	36 798	47 692
Entity Oversight	1 281 010	-	-	(46 913)	-	3 100	(43 813)	1 237 197
<b>Total</b>	<b>1 345 406</b>	<b>1 214</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 100</b>	<b>4 314</b>	<b>1 349 720</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>75 120</b>	<b>1 214</b>	<b>-</b>	<b>37 637</b>	<b>-</b>	<b>-</b>	<b>38 851</b>	<b>113 971</b>
Compensation of employees	59 169	-	-	9 000	-	-	9 000	68 169
Goods and services	15 951	1 214	-	28 637	-	-	29 851	45 802
<b>Transfers and subsidies</b>	<b>1 270 202</b>	<b>-</b>	<b>-</b>	<b>(41 353)</b>	<b>-</b>	<b>3 100</b>	<b>(38 253)</b>	<b>1 231 949</b>
Departmental agencies and accounts	1 088 109	-	-	(41 410)	-	3 100	(38 310)	1 049 799
Public corporations and private enterprises	182 093	-	-	-	-	-	-	182 093
Households	-	-	-	57	-	-	57	57
<b>Payments for capital assets</b>	<b>84</b>	<b>-</b>	<b>-</b>	<b>3 716</b>	<b>-</b>	<b>-</b>	<b>3 716</b>	<b>3 800</b>
Machinery and equipment	84	-	-	3 716	-	-	3 716	3 800
<b>Total</b>	<b>1 345 406</b>	<b>1 214</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 100</b>	<b>4 314</b>	<b>1 349 720</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	7 440	-	-	2 256	-	-	2 256	9 696
Departmental Management	14 643	-	-	10 549	-	-	10 549	25 192
Internal Audit	465	-	-	400	-	-	400	865
Corporate Services	13 142	-	-	1 149	-	-	1 149	14 291
Financial Management	9 412	-	-	(2 353)	-	-	(2 353)	7 059
<b>Total</b>	<b>45 102</b>	<b>-</b>	<b>-</b>	<b>12 001</b>	<b>-</b>	<b>-</b>	<b>12 001</b>	<b>57 103</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>45 058</b>	<b>-</b>	<b>-</b>	<b>10 745</b>	<b>-</b>	<b>-</b>	<b>10 745</b>	<b>55 803</b>
Compensation of employees	35 953	-	-	7 599	-	-	7 599	43 552
Goods and services	9 105	-	-	3 146	-	-	3 146	12 251
<b>Payments for capital assets</b>	<b>44</b>	<b>-</b>	<b>-</b>	<b>1 256</b>	<b>-</b>	<b>-</b>	<b>1 256</b>	<b>1 300</b>
Machinery and equipment	44	-	-	1 256	-	-	1 256	1 300
<b>Total</b>	<b>45 102</b>	<b>-</b>	<b>-</b>	<b>12 001</b>	<b>-</b>	<b>-</b>	<b>12 001</b>	<b>57 103</b>

**Programme 2: Communications Policy, Research and Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Broadcasting Policy	7 840	-	-	(1 672)	-	-	(1 672)	6 168
Media Policy	150	-	-	-	-	-	-	150
Technology and Engineering Services	410	-	-	1 000	-	-	1 000	1 410
<b>Total</b>	<b>8 400</b>	<b>-</b>	<b>-</b>	<b>(672)</b>	<b>-</b>	<b>-</b>	<b>(672)</b>	<b>7 728</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>8 400</b>	<b>-</b>	<b>-</b>	<b>(672)</b>	<b>-</b>	<b>-</b>	<b>(672)</b>	<b>7 728</b>
Compensation of employees	6 156	-	-	(492)	-	-	(492)	5 664
Goods and services	2 244	-	-	(180)	-	-	(180)	2 064
<b>Total</b>	<b>8 400</b>	<b>-</b>	<b>-</b>	<b>(672)</b>	<b>-</b>	<b>-</b>	<b>(672)</b>	<b>7 728</b>

**Programme 3: Industry and Capacity Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Enterprise Development	6 622	-	-	(4 558)	-	-	(4 558)	2 064
Broadcasting Digital Migration	4 104	1 214	-	33 810	-	-	35 024	39 128
Industry Research and Analysis	168	-	-	6 332	-	-	6 332	6 500
<b>Total</b>	<b>10 894</b>	<b>1 214</b>	<b>-</b>	<b>35 584</b>	<b>-</b>	<b>-</b>	<b>36 798</b>	<b>47 692</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>10 854</b>	<b>1 214</b>	<b>-</b>	<b>33 067</b>	<b>-</b>	<b>-</b>	<b>34 281</b>	<b>45 135</b>
Compensation of employees	8 116	-	-	6 457	-	-	6 457	14 573
Goods and services	2 738	1 214	-	26 610	-	-	27 824	30 562
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>57</b>
Households	-	-	-	57	-	-	57	57
<b>Payments for capital assets</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>2 460</b>	<b>-</b>	<b>-</b>	<b>2 460</b>	<b>2 500</b>
Machinery and equipment	40	-	-	2 460	-	-	2 460	2 500
<b>Total</b>	<b>10 894</b>	<b>1 214</b>	<b>-</b>	<b>35 584</b>	<b>-</b>	<b>-</b>	<b>36 798</b>	<b>47 692</b>

**Programme 4: Entity Oversight**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management for Entity Oversight	2 131	-	-	489	-	-	489	2 620
Broadcasting and Community Media	210 950	-	-	(2 361)	-	-	(2 361)	208 589
Communication and Branding	565 159	-	-	(1 817)	-	3 100	1 283	566 442
Regulatory Institutions	502 770	-	-	(43 224)	-	-	(43 224)	459 546
<b>Total</b>	<b>1 281 010</b>	<b>-</b>	<b>-</b>	<b>(46 913)</b>	<b>-</b>	<b>3 100</b>	<b>(43 813)</b>	<b>1 237 197</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>10 808</b>	<b>-</b>	<b>-</b>	<b>(5 503)</b>	<b>-</b>	<b>-</b>	<b>(5 503)</b>	<b>5 305</b>
Compensation of employees	8 944	-	-	(4 564)	-	-	(4 564)	4 380
Goods and services	1 864	-	-	(939)	-	-	(939)	925
<b>Transfers and subsidies</b>	<b>1 270 202</b>	<b>-</b>	<b>-</b>	<b>(41 410)</b>	<b>-</b>	<b>3 100</b>	<b>(38 310)</b>	<b>1 231 892</b>
Departmental agencies and accounts	1 088 109	-	-	(41 410)	-	3 100	(38 310)	1 049 799
Public corporations and private enterprises	182 093	-	-	-	-	-	-	182 093
<b>Total</b>	<b>1 281 010</b>	<b>-</b>	<b>-</b>	<b>(46 913)</b>	<b>-</b>	<b>3 100</b>	<b>(43 813)</b>	<b>1 237 197</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Roll-overs – R1.214 million

#### Programme 3: Industry Capacity Development

R1.214 million has been rolled over for the radio component of the digital terrestrial television awareness campaign.

### Virements and shifts within votes

<b>Programmes</b>					
1. Administration					
2. Communications Policy, Research and Development					
3. Industry and Capacity Development					
4. Entity Oversight					
<b>FROM:</b>			<b>TO:</b>		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(672)</b>	<b>Programme 1</b>		<b>672</b>
Compensation of employees	Vacant posts	(492)	Compensation of employees	Increases in personnel remuneration	492
Goods and services	Cost containment measures effected, mainly on catering	(180)	Goods and services	Fleet services	180
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>8.0%</b>			
<b>Programme 3</b>		<b>(9 818)</b>	<b>Programme 1</b>		<b>9 818</b>
Compensation of employees	Vacant posts	(6 035)	Compensation of employees	Increases in personnel remuneration	6 035
Goods and services	Cost containment measures effected, mainly on travel and subsistence	(2 527)	Goods and services	Legal costs, audit fees, fleet services, training, and travel and subsistence	2 527
	Cost containment measures effected, mainly on travel and subsistence	(1 216)	Machinery and equipment	Motor vehicle for the ministry, and desktop printers	1 216
Machinery and equipment	Lower than anticipated spending on laptop and desktop computers	(40)	Machinery and equipment	Laptop and desktop computers for new employees	40
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>90.1%<sup>2</sup></b>			
<b>Programme 4</b>		<b>(46 913)</b>	<b>Programme 3</b>		<b>3 492</b>
Compensation of employees	Vacant posts	(3 492)	Compensation of employees	Contract employees for the digital migration function	3 492
	Vacant posts	(1 072)	<b>Programme 1</b>		<b>1 072</b>
			Compensation of employees	Increases in personnel remuneration	1 072
Goods and services	Cost containment measures effected, mainly on travel and subsistence	(500)	<b>Programme 3</b>		<b>500</b>
	Cost containment measures effected, mainly on travel and subsistence, and stationery	(439)	Goods and services	Advertising costs for the digital migration function	500
			<b>Programme 1</b>		<b>439</b>
			Goods and services	Administrative fees and legal services	439
Departmental agencies and accounts	Reduced spending on transfer payment to the Independent Communication Authority of South Africa <sup>1</sup>	(9 000)	<b>Programme 3</b>		<b>41 410</b>
	Reduced spending on transfer payment to the Independent Communication Authority of South Africa <sup>1</sup>	(29 853)	Compensation of employees	Contract employees for the digital migration function <sup>1</sup>	9 000
	Reduced spending on transfer payment to the Independent Communication Authority of South Africa <sup>1</sup>	(2 500)	Goods and services	Advertising, communication, and travel and subsistence for the digital migration function	29 853
	Reduced spending on transfer payment to the Independent Communication Authority of South Africa <sup>1</sup>	(57)	Machinery and equipment	Procurement of vehicles for the digital migration function	2 500
			Households	Leave gratuities	57
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.7%</b>			
<b>Total</b>		<b>(57 403)</b>			<b>57 403</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

**Self-financing expenditure – R3.100 million**

## Programme 4: Entity Oversight

Revenue of R3.100 million has been generated thus far in 2016/17, from advertising in the bi-monthly Vuk'uzenzele government newspaper, which is coordinated by the Government Communication and Information System. This will be used for increasing the print run from 850 000 to 1 040 000 copies per edition.

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
Administration	42 414	19 916	47.0	48 206	113.7	57 103	4.2	31 592	55.3	
Communications Policy, Research and Development	7 897	1 844	23.4	4 896	62.0	7 728	0.6	3 109	40.2	
Industry and Capacity Development	20 197	5 227	25.9	20 385	100.9	47 692	3.5	11 479	24.1	
Entity Oversight	1 220 380	594 587	48.7	1 214 555	99.5	1 237 197	91.7	620 586	50.2	
<b>Total</b>	<b>1 290 888</b>	<b>621 574</b>	<b>48.2</b>	<b>1 288 042</b>	<b>99.8</b>	<b>1 349 720</b>	<b>100.0</b>	<b>666 766</b>	<b>49.4</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>80 060</b>	<b>28 311</b>	<b>35.4</b>	<b>76 279</b>	<b>95.3</b>	<b>113 971</b>	<b>8.4</b>	<b>47 515</b>	<b>41.7</b>	
Compensation of employees	56 005	19 266	34.4	47 592	85.0	68 169	5.1	33 091	48.5	
Goods and services	24 055	9 045	37.6	28 687	119.3	45 802	3.4	14 424	31.5	
<b>Transfers and subsidies</b>	<b>1 210 156</b>	<b>593 031</b>	<b>49.0</b>	<b>1 210 205</b>	<b>100.0</b>	<b>1 231 949</b>	<b>91.3</b>	<b>618 031</b>	<b>50.2</b>	
Departmental agencies and accounts	1 037 229	518 650	50.0	1 037 229	100.0	1 049 799	77.8	552 244	52.6	
Public corporations and private enterprises	172 927	74 381	43.0	172 927	100.0	182 093	13.5	65 731	36.1	
Households	–	–	–	49	–	57	–	56	98.2	
<b>Payments for capital assets</b>	<b>672</b>	<b>232</b>	<b>34.5</b>	<b>1 558</b>	<b>231.8</b>	<b>3 800</b>	<b>0.3</b>	<b>1 217</b>	<b>32.0</b>	
Machinery and equipment	672	232	34.5	1 558	231.8	3 800	0.3	1 217	32.0	
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3</b>	<b>–</b>	
<b>Total</b>	<b>1 290 888</b>	<b>621 574</b>	<b>48.2</b>	<b>1 288 042</b>	<b>99.8</b>	<b>1 349 720</b>	<b>100.0</b>	<b>666 766</b>	<b>49.4</b>	

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 99.8 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R666.8 million, or 49.4 per cent of the adjusted appropriation of R1.3 billion for the year. In comparison, mid-year expenditure in 2015/16 was R621.6 million, or 48.2 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R45.2 million, or 7.3 per cent. The increase was mainly in compensation of employees as contract posts for the digital terrestrial television project were extended.

**Departmental receipts**

	2015/16					2016/17				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>1 025 126</b>	<b>717 111</b>	<b>70.0</b>	<b>1 328 069</b>	<b>129.6</b>	<b>1 025 794</b>	<b>1 026 751</b>	<b>100.0</b>	<b>852 752</b>	<b>83.1</b>
Sales of goods and services produced by department	10	5	50.0	12	120.0	1 024 120	74	–	36	48.6
Interest, dividends and rent on land	4 000	2 362	59.1	3 406	85.2	1 662	2 168	0.2	1 168	53.9
Transactions in financial assets and liabilities	1 021 116	714 744	70.0	1 324 651	129.7	12	1 024 509	99.8	851 548	83.1
<b>Total</b>	<b>1 025 126</b>	<b>717 111</b>	<b>70.0</b>	<b>1 328 069</b>	<b>129.6</b>	<b>1 025 794</b>	<b>1 026 751</b>	<b>100.0</b>	<b>852 752</b>	<b>83.1</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R852.8 million, or 83.1 per cent of the adjusted revenue estimate of R1 billion for the year. In comparison, mid-year revenue in 2015/16 was R717.1 million, or 70 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R135.6 million, or 18.9 per cent. This was mainly due to the revenue generated in the 2016/17 financial year by the Independent Communications Authority of South Africa for licence fees.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Industry and Capacity Development</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	57	-	-	57	57
Employee social benefits	-	-	-	57	-	-	57	57
<b>Entity oversight</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	796 637	-	-	(41 410)	-	3 100	(38 310)	758 327
Government Communication and Information System	382 156	-	-	-	-	3 100	3 100	385 256
Independent Communications Authority of South Africa	414 481	-	-	(41 410)	-	-	(41 410)	373 071

# Vote 4

## Cooperative Governance and Traditional Affairs

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	72 994 048	73 021 906	-	27 858
<i>of which:</i>				
Current payments	3 801 676	3 826 454	-	24 778
Transfers and subsidies	69 185 025	69 188 025	-	3 000
Payments for capital assets	7 347	7 347	-	-
Payments for financial assets	-	80	-	80
Executive authority	Minister of Cooperative Governance and Traditional Affairs			
Accounting officers	Director-General of Cooperative Governance Director-General of Traditional Affairs			
Website address	www.cogta.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of partnerships facilitated between municipalities and the private sector per year	Regional and Urban Development and Legislative Support	Outcome 9: Responsive, accountable, effective and efficient developmental local government system	10	5	-
Number of spatial contracts facilitated for key restructuring zones and targeted regions per year	Regional and Urban Development and Legislative Support		8	2	-
Number of municipalities (of 40 targeted municipalities) supported in implementing local economic development programmes per year	Regional and Urban Development and Legislative Support		40	10	-
Total number of towns and cities implementing the Clean Cities and Towns programme	Regional and Urban Development and Legislative Support		8	8	-
Number of municipalities supported to develop and institutionalise community complaints management mechanisms per year	Institutional Development		78	20	-

2016 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of municipalities assessed and guided to comply with the rating aspects of the Municipal Property Rates Act (2004) by target date	Institutional Development	Outcome 9: Responsive, accountable, effective and efficient developmental local government system	193	0	-
Value of municipalities spending on municipal infrastructure grant per year	Institutional Development		R14.9bn	R4.5bn	-
Total number of fully functional disaster management centres across the three spheres of government	National Disaster Management Centre		60	58	-
Number of smaller municipalities (136 in total) supported to implement the revised integrated development planning framework per year	Local Government Support and Intervention Management		136	136	-
Number of municipalities where Back-to-Basics interventions are being implemented per year	Local Government Support and Intervention Management		36	36	90
Total number of provinces assessed for institutional capacity	Local Government Support and Intervention Management		9	-	-
Total number of work opportunities created through the community work programme	Community Work Programme		268 000	220 556	-

Changes to indicators and targets published in the 2016 ENE

The Local Government Support and Intervention Management programme has revised the number of municipalities where Back-to-Basics interventions are to be implemented from 36 to 90, due to an increase in the number of planned municipal visits and funds have been reprioritised in the budget for this initiative.

Mid-year progress

In the first six months of 2016/17, the department had cumulatively employed 220 556 participants into the community work programme due to an additional 23 535 people coming onto the programme. However, the programme will not achieve its planned target of 268 000 due to budget limitations. In the same period, 20 municipalities were supported to develop management mechanisms for community complaints, but progress was slow as community engagements could not happen due to the unavailability of councillors as they were preparing for the 2016 local government elections. The Clean Cities and Towns programme has been fast-tracked for closure and therefore achieved the annual target in the first sixth months of 2016/17.

There is no progress on the assessments related to the implementation of the Municipal Property Rates Act (2004) as they are planned for the second half of 2016/17. All targeted municipalities were assisted to implement the revised integrated development planning frameworks, which were finalised before the start of the municipal financial year.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	266 464	-	-	(2 773)	-	-	(2 773)	263 691
Regional and Urban Development and Legislative Support	332 176	27 858	-	(2 240)	-	-	25 618	357 794
Institutional Development	68 122 162	-	-	(1 781)	-	-	(1 781)	68 120 381
National Disaster Management Centre	598 887	-	-	(10 000)	-	-	(10 000)	588 887
Local Government Support and Intervention Management	483 174	-	-	16 794	-	-	16 794	499 968
Community Work Programme	3 191 185	-	-	-	-	-	-	3 191 185
<b>Total</b>	<b>72 994 048</b>	<b>27 858</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27 858</b>	<b>73 021 906</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 801 676</b>	<b>27 858</b>	<b>-</b>	<b>(3 080)</b>	<b>-</b>	<b>-</b>	<b>24 778</b>	<b>3 826 454</b>
Compensation of employees	320 521	-	-	-	-	-	-	320 521
Goods and services	3 481 155	27 858	-	(3 080)	-	-	24 778	3 505 933
<b>Transfers and subsidies</b>	<b>69 185 025</b>	<b>-</b>	<b>-</b>	<b>3 000</b>	<b>-</b>	<b>-</b>	<b>3 000</b>	<b>69 188 025</b>
Provinces and municipalities	68 301 723	-	-	-	-	-	-	68 301 723
Departmental agencies and accounts	567 407	-	-	3 000	-	-	3 000	570 407
Non-profit institutions	6 619	-	-	-	-	-	-	6 619
Households	309 276	-	-	-	-	-	-	309 276
<b>Payments for capital assets</b>	<b>7 347</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 347</b>
Machinery and equipment	7 347	-	-	-	-	-	-	7 347
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>80</b>
<b>Total</b>	<b>72 994 048</b>	<b>27 858</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27 858</b>	<b>73 021 906</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	26 694	-	-	11 245	-	-	11 245	37 939
Management	14 214	-	-	(605)	-	-	(605)	13 609
Corporate Services	142 022	-	-	(14 568)	-	-	(14 568)	127 454
Financial Services	34 574	-	-	(3 845)	-	-	(3 845)	30 729
Internal Audit and Risk Management	11 475	-	-	5 000	-	-	5 000	16 475
Office Accommodation	37 485	-	-	-	-	-	-	37 485
<b>Total</b>	<b>266 464</b>	<b>-</b>	<b>-</b>	<b>(2 773)</b>	<b>-</b>	<b>-</b>	<b>(2 773)</b>	<b>263 691</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>261 364</b>	<b>-</b>	<b>-</b>	<b>(2 853)</b>	<b>-</b>	<b>-</b>	<b>(2 853)</b>	<b>258 511</b>
Compensation of employees	119 906	-	-	5 900	-	-	5 900	125 806
Goods and services	141 458	-	-	(8 753)	-	-	(8 753)	132 705
<b>Transfers and subsidies</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>
Provinces and municipalities	100	-	-	-	-	-	-	100
<b>Payments for capital assets</b>	<b>5 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 000</b>
Machinery and equipment	5 000	-	-	-	-	-	-	5 000
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>80</b>
<b>Total</b>	<b>266 464</b>	<b>-</b>	<b>-</b>	<b>(2 773)</b>	<b>-</b>	<b>-</b>	<b>(2 773)</b>	<b>263 691</b>

### Programme 2: Regional and Urban Development and Legislative Support

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Management: Regional and Urban Development and Legislative Support	3 096	-	-	(1 938)	-	-	(1 938)	1 158
Local Government Legislative Support and Institutional Establishment	3 409	-	-	(870)	-	-	(870)	2 539
Urban Development Planning	7 330	-	-	831	-	-	831	8 161
Spatial Planning: Districts and Regions	11 943	-	-	1 539	-	-	1 539	13 482
Intergovernmental Policy and Practice	8 976	-	-	(1 802)	-	-	(1 802)	7 174
Municipal Demarcation Transition Grant	297 422	27 858	-	-	-	-	27 858	325 280
<b>Total</b>	<b>332 176</b>	<b>27 858</b>	<b>-</b>	<b>(2 240)</b>	<b>-</b>	<b>-</b>	<b>25 618</b>	<b>357 794</b>

**Programme 2: Regional and Urban Development and Legislative Support (continued)**

Economic classification	2016/17							
	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>34 754</b>	<b>27 858</b>	<b>-</b>	<b>(2 240)</b>	<b>-</b>	<b>-</b>	<b>25 618</b>	<b>60 372</b>
Compensation of employees	18 225	-	-	500	-	-	500	18 725
Goods and services	16 529	27 858	-	(2 740)	-	-	25 118	41 647
<b>Transfers and subsidies</b>	<b>297 422</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>297 422</b>
Provinces and municipalities	297 422	-	-	-	-	-	-	297 422
<b>Total</b>	<b>332 176</b>	<b>27 858</b>	<b>-</b>	<b>(2 240)</b>	<b>-</b>	<b>-</b>	<b>25 618</b>	<b>357 794</b>

**Programme 3: Institutional Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management: Institutional Development	3 166	-	-	2 537	-	-	2 537	5 703
Human Resources Management Systems	7 431	-	-	(374)	-	-	(374)	7 057
Municipal Finance	34 485	-	-	(669)	-	-	(669)	33 816
Citizen Engagement	8 400	-	-	(125)	-	-	(125)	8 275
Anti-Corruption and Good Governance	7 018	-	-	(1 510)	-	-	(1 510)	5 508
Municipal Property Rates	14 892	-	-	(1 640)	-	-	(1 640)	13 252
Local Government Equitable Share	52 568 706	-	-	-	-	-	-	52 568 706
Municipal Infrastructure Grant	14 914 028	-	-	-	-	-	-	14 914 028
Municipal Systems Improvement Grant	84 349	-	-	-	-	-	-	84 349
Department of Traditional Affairs	129 798	-	-	-	-	-	-	129 798
Municipal Infrastructure Support Agency	349 889	-	-	-	-	-	-	349 889
<b>Total</b>	<b>68 122 162</b>	<b>-</b>	<b>-</b>	<b>(1 781)</b>	<b>-</b>	<b>-</b>	<b>(1 781)</b>	<b>68 120 381</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>159 741</b>	<b>-</b>	<b>-</b>	<b>(1 781)</b>	<b>-</b>	<b>-</b>	<b>(1 781)</b>	<b>157 960</b>
Compensation of employees	33 211	-	-	(500)	-	-	(500)	32 711
Goods and services	126 530	-	-	(1 281)	-	-	(1 281)	125 249
<b>Transfers and subsidies</b>	<b>67 962 421</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67 962 421</b>
Provinces and municipalities	67 482 734	-	-	-	-	-	-	67 482 734
Departmental agencies and accounts	479 687	-	-	-	-	-	-	479 687
<b>Total</b>	<b>68 122 162</b>	<b>-</b>	<b>-</b>	<b>(1 781)</b>	<b>-</b>	<b>-</b>	<b>(1 781)</b>	<b>68 120 381</b>

**Programme 4: National Disaster Management Centre**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management: National Disaster Management Centre	3 442	-	-	(310)	-	-	(310)	3 132
Disaster Risk Reduction, Capacity Building and Intervention	33 333	-	-	(5 316)	-	-	(5 316)	28 017
Legislation and Policy Management	5 788	-	-	(690)	-	-	(690)	5 098
Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems	4 056	-	-	(400)	-	-	(400)	3 656
Fire Services	3 112	-	-	(15)	-	-	(15)	3 097
Information Technology, Intelligence and Information Management Systems	27 689	-	-	(3 269)	-	-	(3 269)	24 420
Disaster Relief Grant	381 467	-	-	-	-	-	-	381 467
Municipal Disaster Recovery Grant	140 000	-	-	-	-	-	-	140 000
<b>Total</b>	<b>598 887</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>588 887</b>

**Programme 4: National Disaster Management Centre (continued)**

Economic classification	2016/17							
	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>75 073</b>	-	-	(10 000)	-	-	(10 000)	<b>65 073</b>
Compensation of employees	27 348	-	-	(10 000)	-	-	(10 000)	17 348
Goods and services	47 725	-	-	-	-	-	-	47 725
<b>Transfers and subsidies</b>	<b>521 467</b>	-	-	-	-	-	-	<b>521 467</b>
Provinces and municipalities	521 467	-	-	-	-	-	-	521 467
<b>Payments for capital assets</b>	<b>2 347</b>	-	-	-	-	-	-	<b>2 347</b>
Machinery and equipment	2 347	-	-	-	-	-	-	2 347
<b>Total</b>	<b>598 887</b>	-	-	(10 000)	-	-	(10 000)	<b>588 887</b>

**Programme 5: Local Government Support and Intervention Management**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management: Local Government Support and Interventions	3 148	-	-	800	-	-	800	3 948
Municipal Performance Monitoring	322 078	-	-	700	-	-	700	322 778
Local Government Improvement Programme	29 162	-	-	81	-	-	81	29 243
Litigations and Interventions	13 759	-	-	(2 700)	-	-	(2 700)	11 059
Municipal Infrastructure Grant Management	20 688	-	-	14 913	-	-	14 913	35 601
South African Local Government Association	29 500	-	-	2 000	-	-	2 000	31 500
Municipal Demarcation Board	58 220	-	-	1 000	-	-	1 000	59 220
South African Cities Network	6 619	-	-	-	-	-	-	6 619
<b>Total</b>	<b>483 174</b>	-	-	<b>16 794</b>	-	-	<b>16 794</b>	<b>499 968</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>79 559</b>	-	-	<b>13 794</b>	-	-	<b>13 794</b>	<b>93 353</b>
Compensation of employees	58 348	-	-	4 100	-	-	4 100	62 448
Goods and services	21 211	-	-	9 694	-	-	9 694	30 905
<b>Transfers and subsidies</b>	<b>403 615</b>	-	-	<b>3 000</b>	-	-	<b>3 000</b>	<b>406 615</b>
Departmental agencies and accounts	87 720	-	-	3 000	-	-	3 000	90 720
Non-profit institutions	6 619	-	-	-	-	-	-	6 619
Households	309 276	-	-	-	-	-	-	309 276
<b>Total</b>	<b>483 174</b>	-	-	<b>16 794</b>	-	-	<b>16 794</b>	<b>499 968</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Roll-overs – R27.858 million**

Programme 2: Regional and Urban Development and Legislative Support

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

**Virements and shifts within votes****Programmes**

1. Administration
2. Regional and Urban Development and Legislative Support
3. Institutional Development
4. National Disaster Management Centre
5. Local Government Support and Intervention Management
6. Community Work Programme

<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(12 853)</b>	<b>Programme 1</b>		<b>80</b>
Goods and services	Reallocation of funds for advertising due to delays in the asset verification project	(80)	Payments for financial assets	Thefts and losses	80
	Reallocation of funds for advertising due to delays in the asset verification project	(6 673)	<b>Programme 5</b>		<b>12 773</b>
	Reallocation of funds for advertising due to delays in the asset verification project	(2 000)	Goods and services	Travel, communication, and consultants	6 673
Compensation of employees	Vacant posts	(4 100)	Departmental agencies and accounts	Training of new councillors through the South African Local Government Association <sup>1</sup>	2 000
			Compensation of employees	Increase in personnel remuneration due to restructuring	4 100
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>4.8%</b>			
<b>Programme 2</b>		<b>(2 740)</b>	<b>Programme 5</b>		<b>2 740</b>
Goods and services	Reallocation of funds for consultants, and training and development due to delays in appointing a geographic information systems enterprise licence	(1 740)	Goods and services	Consultants, catering, and travel and subsistence	1 740
	Reallocation of funds for consultants, and training and development due to delays in appointing a geographic information systems enterprise licence	(1 000)	Departmental agencies and accounts	International conference hosted by the Municipal Demarcation Board <sup>1</sup>	1 000
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.8%</b>			
<b>Programme 3</b>		<b>(1 781)</b>	<b>Programme 5</b>		<b>1 281</b>
Goods and services	Reallocation of funds for travel and subsistence, catering and communication, due to delays in the rollout of the ministerial campaign for ward committees	(1 281)	Goods and services	Consultants	1 281
Compensation of employees	Vacant posts	(500)	<b>Programme 2</b>		<b>500</b>
			Compensation of employees	Increase in personnel remuneration due to restructuring	500
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(10 000)</b>	<b>Programme 1</b>		<b>10 000</b>
Compensation of employees	Vacant posts	(10 000)	Compensation of employees	Increase in personnel remuneration due to restructuring	10 000
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.7%</b>			
<b>Total</b>		<b>(27 374)</b>			<b>27 374</b>

1. National Treasury approval has been obtained.

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
Administration	228 576	131 160	57.4	228 072	99.8	263 691	0.4	110 047	41.7	
Regional and Urban Development and Legislative Support	76 202	34 898	45.8	73 162	96.0	354 794	0.5	102 715	29.0	
Institutional Development	67 409 211	28 022 622	41.6	65 053 928	96.5	68 120 381	93.3	26 534 571	39.0	
National Disaster Management Centre	606 805	201 428	33.2	258 158	42.5	588 887	0.8	77 053	13.1	
Local Government Support and Intervention Management	118 744	49 942	42.1	109 987	92.6	502 968	0.7	94 061	18.7	
Community Work Programme	2 375 939	1 077 163	45.3	2 374 230	99.9	3 191 185	4.4	986 174	30.9	
<b>Total</b>	<b>70 815 477</b>	<b>29 517 213</b>	<b>41.7</b>	<b>68 097 537</b>	<b>96.2</b>	<b>73 021 906</b>	<b>100.0</b>	<b>27 904 621</b>	<b>38.2</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>3 062 912</b>	<b>1 295 486</b>	<b>42.3</b>	<b>2 759 622</b>	<b>90.1</b>	<b>3 826 454</b>	<b>5.2</b>	<b>1 180 278</b>	<b>30.8</b>	
Compensation of employees	271 777	127 528	46.9	258 334	95.1	320 521	0.4	135 425	42.3	
Goods and services	2 791 135	1 167 958	41.8	2 501 288	89.6	3 505 933	4.8	1 044 853	29.8	
<b>Transfers and subsidies</b>	<b>67 745 944</b>	<b>28 219 704</b>	<b>41.7</b>	<b>65 290 923</b>	<b>96.4</b>	<b>69 188 025</b>	<b>94.7</b>	<b>26 722 059</b>	<b>38.6</b>	
Provinces and municipalities	67 254 621	27 947 065	41.6	64 799 161	96.3	68 301 723	93.5	26 424 625	38.7	
Departmental agencies and accounts	484 949	270 444	55.8	484 949	100.0	570 407	0.8	297 235	52.1	
Non-profit institutions	6 286	2 095	33.3	6 286	100.0	6 619	-	-	-	
Households	88	100	113.6	527	598.9	309 276	0.4	199	0.1	
<b>Payments for capital assets</b>	<b>6 521</b>	<b>1 862</b>	<b>28.6</b>	<b>46 078</b>	<b>706.6</b>	<b>7 347</b>	<b>-</b>	<b>2 255</b>	<b>30.7</b>	
Machinery and equipment	6 521	1 862	28.6	46 078	706.6	7 347	-	2 255	30.7	
<b>Payments for financial assets</b>	<b>100</b>	<b>161</b>	<b>161.0</b>	<b>914</b>	<b>914.0</b>	<b>80</b>	<b>-</b>	<b>29</b>	<b>36.3</b>	
<b>Total</b>	<b>70 815 477</b>	<b>29 517 213</b>	<b>41.7</b>	<b>68 097 537</b>	<b>96.2</b>	<b>73 021 906</b>	<b>100.0</b>	<b>27 904 621</b>	<b>38.2</b>	

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 96.2 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R27.9 billion, or 38.2 per cent of the adjusted appropriation of R73 billion for the year. In comparison, mid-year expenditure in 2015/16 was R29.5 billion, or 41.7 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R1.6 billion, or 5.5 per cent. This was mainly due to delays in the transfers of the municipal infrastructure grant and the local government equitable share to newly established municipalities that were affected by the municipal demarcation process following the 2016 local government elections.

**Departmental receipts**

R thousand	2015/16					2016/17				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>1 148</b>	<b>564</b>	<b>49.1</b>	<b>1 116</b>	<b>97.2</b>	<b>1 165</b>	<b>1 165</b>	<b>100.0</b>	<b>940</b>	<b>80.7</b>
Sales of goods and services produced by department	351	77	21.9	157	44.7	305	172	14.8	81	47.1
Sales of scrap, waste, arms and other used current goods	-	-	-	1	-	5	-	-	-	-
Transfers received	244	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	13	8	61.5	291	2 238.5	15	575	49.4	564	98.1
Sales of capital assets	-	-	-	-	-	40	150	12.9	40	26.7
Transactions in financial assets and liabilities	540	479	88.7	667	123.5	800	268	23.0	255	95.1
<b>Total</b>	<b>1 148</b>	<b>564</b>	<b>49.1</b>	<b>1 116</b>	<b>97.2</b>	<b>1 165</b>	<b>1 165</b>	<b>100.0</b>	<b>940</b>	<b>80.7</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R940 000, or 80.7 per cent of the revenue estimate of R1.2 million for the year. In comparison, mid-year revenue in 2015/16 was R564 000, or 49.1 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R376 000, or 66.7 per cent. This was mainly due to higher interest earned on bank balances.

### Changes to transfers and subsidies, including conditional grants

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

		2016/17							
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Local Government Support and Intervention Management</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>									
	87 720	-	-	3 000	-	-	3 000	90 720	
South African Local Government Association	29 500	-	-	2 000	-	-	2 000	31 500	
Municipal Demarcation Board	58 220	-	-	1 000	-	-	1 000	59 220	

## Home Affairs

### Adjusted budget summary

2016/17				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>7 167 140</b>	<b>8 155 805</b>	<b>-</b>	<b>988 665</b>
<b>of which:</b>				
Current payments	5 430 360	6 327 685	-	897 325
Transfers and subsidies	1 725 887	1 817 227	-	91 340
Payments for capital assets	10 893	10 893	-	-
Executive authority	Minister of Home Affairs			
Accounting officer	Director-General of Home Affairs			
Website address	www.dha.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September) <sup>1</sup>	Changed target for 2016/17
Percentage of machine readable passports (new live capture process) issued within 13 working days	Citizen Affairs	Outcome 12: an efficient, effective and development oriented public service	90%	98.19%	-
Number of birth registered within 30 calendar days	Citizen Affairs		750 000	190 440	-
Percentage of identity documents (first issue) issued within 54 working days	Citizen Affairs		90%	97%	-
Percentage of identity documents (second issue) issued within 47 working days	Citizen Affairs		95%	98.64%	-
Number of smart identity cards issued per year to citizens 16 years and older	Citizen Affairs	Outcome 3: all people in South Africa are and feel safe	2 200 000	719 178	-
Percentage of permanent residence applications adjudicated within 12 months (collected within South Africa)	Immigration Affairs	Outcome 12: an efficient, effective and development oriented public service	80%	94%	-
Percentage of business and general work visa applications adjudicated within 3 weeks (processed within South Africa)	Immigration Affairs		85%	98%	-
Percentage of critical skills visas applications per year adjudicated within 4 weeks (processed within South Africa)	Immigration Affairs		Outcome 4: decent employment through inclusive economic growth	75%	96%
Number of illegal foreigners deported per year	Immigration Affairs	Outcome 3: all people in South Africa are and feel safe	50 000	4 567	-

<sup>1</sup> Only data for the first quarter of 2016/17 is currently available.

## Mid-year progress

The department is on track to meeting most of its targets.

The main reasons for targets being exceeded in both programmes in the first six months of 2016/17 are: offices being open on Saturdays for birth registration at high volume health facilities; the rollout of the live capture functionality for smart identity cards and passports to an additional 38 offices; smart identity card campaigns conducted on a regular basis in preparation for the 2016 local government elections; eHome Affairs sites helping clients to apply and pay for smart identity cards and passports online at selected branches of some banks; and the extension of the age category for applications on eHome Affairs from 30 to 35 years to 20 to 40 years. The significant progress in respect of the immigration indicators is due to the automation of back office processes.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	2 222 890	-	-	24 229	-	140 700	164 929	2 387 819
Citizen Affairs	3 901 559	-	71 340	(24 229)	(44 775)	821 625	823 961	4 725 520
Immigration Affairs	1 042 691	-	-	-	(225)	-	(225)	1 042 466
<b>Total</b>	<b>7 167 140</b>	<b>-</b>	<b>71 340</b>	<b>-</b>	<b>(45 000)</b>	<b>962 325</b>	<b>988 665</b>	<b>8 155 805</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>5 430 360</b>	<b>-</b>	<b>-</b>	<b>(20 000)</b>	<b>(45 000)</b>	<b>962 325</b>	<b>897 325</b>	<b>6 327 685</b>
Compensation of employees	3 146 825	-	-	(32 000)	(45 000)	-	(77 000)	3 069 825
Goods and services	2 283 535	-	-	12 000	-	962 325	974 325	3 257 860
<b>Transfers and subsidies</b>	<b>1 725 887</b>	<b>-</b>	<b>71 340</b>	<b>20 000</b>	<b>-</b>	<b>-</b>	<b>91 340</b>	<b>1 817 227</b>
Provinces and municipalities	1 695	-	-	-	-	-	-	1 695
Departmental agencies and accounts	1 721 051	-	71 340	-	-	-	71 340	1 792 391
Households	3 141	-	-	20 000	-	-	20 000	23 141
<b>Payments for capital assets</b>	<b>10 893</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 893</b>
Machinery and equipment	10 893	-	-	-	-	-	-	10 893
<b>Total</b>	<b>7 167 140</b>	<b>-</b>	<b>71 340</b>	<b>-</b>	<b>(45 000)</b>	<b>962 325</b>	<b>988 665</b>	<b>8 155 805</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	43 757	-	-	(1 500)	-	-	(1 500)	42 257
Management Support Services	208 525	-	-	(7 631)	-	-	(7 631)	200 894
Corporate Services	630 663	-	-	35 262	-	12 075	47 337	678 000
Transversal Information Technology Management	872 673	-	-	(1 902)	-	81 375	79 473	952 146
Office Accommodation	467 272	-	-	-	-	47 250	47 250	514 522
<b>Total</b>	<b>2 222 890</b>	<b>-</b>	<b>-</b>	<b>24 229</b>	<b>-</b>	<b>140 700</b>	<b>164 929</b>	<b>2 387 819</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 209 717</b>	<b>-</b>	<b>-</b>	<b>13 560</b>	<b>-</b>	<b>140 700</b>	<b>154 260</b>	<b>2 363 977</b>
Compensation of employees	575 153	-	-	1 560	-	-	1 560	576 713
Goods and services	1 634 564	-	-	12 000	-	140 700	152 700	1 787 264
<b>Transfers and subsidies</b>	<b>2 280</b>	<b>-</b>	<b>-</b>	<b>10 669</b>	<b>-</b>	<b>-</b>	<b>10 669</b>	<b>12 949</b>
Provinces and municipalities	735	-	-	-	-	-	-	735
Departmental agencies and accounts	7	-	-	-	-	-	-	7
Households	1 538	-	-	10 669	-	-	10 669	12 207
<b>Payments for capital assets</b>	<b>10 893</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 893</b>
Machinery and equipment	10 893	-	-	-	-	-	-	10 893
<b>Total</b>	<b>2 222 890</b>	<b>-</b>	<b>-</b>	<b>24 229</b>	<b>-</b>	<b>140 700</b>	<b>164 929</b>	<b>2 387 819</b>

**Programme 2: Citizen Affairs**

Subprogramme		2016/17						
		Adjustments appropriation					Total	Adjusted
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
Citizen Affairs Management	21 975	-	-	9 416	-	-	9 416	31 391
Status Services	116 757	-	-	(11 695)	(11 170)	821 625	798 760	915 517
Identification Services	292 429	-	-	(7 956)	-	-	(7 956)	284 473
Service Delivery to Provinces	1 749 357	-	-	(13 994)	(33 605)	-	(47 599)	1 701 758
Electoral Commission	1 586 561	-	71 340	-	-	-	71 340	1 657 901
Represented Political Parties' Fund	134 480	-	-	-	-	-	-	134 480
<b>Total</b>	<b>3 901 559</b>	<b>-</b>	<b>71 340</b>	<b>(24 229)</b>	<b>(44 775)</b>	<b>821 625</b>	<b>823 961</b>	<b>4 725 520</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 178 319</b>	<b>-</b>	<b>-</b>	<b>(32 237)</b>	<b>(44 775)</b>	<b>821 625</b>	<b>744 613</b>	<b>2 922 932</b>
Compensation of employees	1 902 296	-	-	(32 237)	(44 775)	-	(77 012)	1 825 284
Goods and services	276 023	-	-	-	-	821 625	821 625	1 097 648
<b>Transfers and subsidies</b>	<b>1 723 240</b>	<b>-</b>	<b>71 340</b>	<b>8 008</b>	<b>-</b>	<b>-</b>	<b>79 348</b>	<b>1 802 588</b>
Provinces and municipalities	960	-	-	-	-	-	-	960
Departmental agencies and accounts	1 721 041	-	71 340	-	-	-	71 340	1 792 381
Households	1 239	-	-	8 008	-	-	8 008	9 247
<b>Total</b>	<b>3 901 559</b>	<b>-</b>	<b>71 340</b>	<b>(24 229)</b>	<b>(44 775)</b>	<b>821 625</b>	<b>823 961</b>	<b>4 725 520</b>

**Programme 3: Immigration Affairs**

Subprogramme		2016/17						
		Adjustments appropriation					Total	Adjusted
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
Immigration Affairs Management	31 120	-	-	6 810	-	-	6 810	37 930
Admission Services	515 080	-	-	77 092	-	-	77 092	592 172
Immigration Services	287 109	-	-	(84 080)	-	-	(84 080)	203 029
Asylum Seekers	209 382	-	-	178	(225)	-	(47)	209 335
<b>Total</b>	<b>1 042 691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(225)</b>	<b>-</b>	<b>(225)</b>	<b>1 042 466</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 042 324</b>	<b>-</b>	<b>-</b>	<b>(1 323)</b>	<b>(225)</b>	<b>-</b>	<b>(1 548)</b>	<b>1 040 776</b>
Compensation of employees	669 376	-	-	(1 323)	(225)	-	(1 548)	667 828
Goods and services	372 948	-	-	-	-	-	-	372 948
<b>Transfers and subsidies</b>	<b>367</b>	<b>-</b>	<b>-</b>	<b>1 323</b>	<b>-</b>	<b>-</b>	<b>1 323</b>	<b>1 690</b>
Departmental agencies and accounts	3	-	-	-	-	-	-	3
Households	364	-	-	1 323	-	-	1 323	1 687
<b>Total</b>	<b>1 042 691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(225)</b>	<b>-</b>	<b>(225)</b>	<b>1 042 466</b>

**Details of Adjustments to the Estimates of National Expenditure 2016****Unforeseeable and unavoidable expenditure – R71.340 million**

An additional R71.340 million has been allocated to the Electoral Commission for salary and equipment warehousing costs incurred due to the postponement of the 2016 local government elections from May to August 2016.

**Virements and shifts within votes**

<b>Programmes</b>					
1. Administration					
2. Citizen Affairs					
3. Immigration Affairs					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(10 669)</b>	<b>Programme 1</b>		<b>10 669</b>
Compensation of employees	Vacant posts <sup>1</sup>	(10 669)	Households	Leave gratuities and claims against the state	10 669
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(32 237)</b>	<b>Programme 1</b>		<b>24 229</b>
Compensation of employees	Alignment of the budget with the personnel structure	(12 229)	Compensation of employees	Alignment of the budget with the personnel structure	12 229
	Vacant posts <sup>2</sup>	(12 000)	Goods and services	Implementation of voice over internet protocol and video conferencing	12 000
	Vacant posts <sup>1</sup>	(8 008)	<b>Programme 2</b>		<b>8 008</b>
Households	Leave gratuities and claims against the state	8 008			
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>0.6%</b>			
<b>Programme 3</b>		<b>(1 323)</b>	<b>Programme 3</b>		<b>1 323</b>
Compensation of employees	Vacant posts <sup>1</sup>	(1 323)	Households	Leave gratuities and claims against the state	1 323
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(44 229)</b>	<b>44 229</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

**Declared unspent funds – R45 million**

R45 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

Programme 2: Citizen Affairs

R44.775 million

Programme 3: Immigration Affairs

R225 000

**Other adjustments – R962.325 million****Self-financing expenditure – R962.325 million**

R962.325 million has been generated from the sale of official documents.

Programme 1: Administration

R140.700 million has been allocated for the upgrading of the offices that will be rolling out smart identity cards, and for courier service payments.

Programme 2: Citizen Affairs

R821.625 million has been allocated for the production and issuing of passports and smart identity cards to the public.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
Administration	1 877 040	847 267	45.1	1 758 730	93.7	2 387 819	29.3	1 042 295	43.7
Citizen Affairs	4 826 498	2 170 014	45.0	4 856 500	100.6	4 725 520	57.9	2 829 356	59.9
Immigration Affairs	645 187	398 484	61.8	730 739	113.3	1 042 466	12.8	611 751	58.7
<b>Total</b>	<b>7 348 725</b>	<b>3 415 765</b>	<b>46.5</b>	<b>7 345 969</b>	<b>100.0</b>	<b>8 155 805</b>	<b>100.0</b>	<b>4 483 402</b>	<b>55.0</b>
<b>Economic classification</b>	<b>5 688 412</b>	<b>2 819 730</b>	<b>49.6</b>	<b>5 510 896</b>	<b>96.9</b>	<b>6 327 685</b>	<b>77.6</b>	<b>3 219 769</b>	<b>50.9</b>
<b>Current payments</b>									
Compensation of employees	2 899 402	1 392 313	48.0	2 845 327	98.1	3 069 825	37.6	1 523 861	49.6
Goods and services	2 789 010	1 427 417	51.2	2 665 569	95.6	3 257 860	39.9	1 695 908	52.1
<b>Transfers and subsidies</b>	<b>1 649 420</b>	<b>577 390</b>	<b>35.0</b>	<b>1 666 143</b>	<b>101.0</b>	<b>1 817 227</b>	<b>22.3</b>	<b>1 219 028</b>	<b>67.1</b>
Provinces and municipalities	1 610	378	23.5	890	55.3	1 695	-	490	28.9
Departmental agencies and accounts	1 644 826	565 830	34.4	1 644 833	100.0	1 792 391	22.0	1 203 805	67.2
Households	2 984	11 182	374.7	20 420	684.3	23 141	0.3	14 733	63.7
<b>Payments for capital assets</b>	<b>10 893</b>	<b>18 645</b>	<b>171.2</b>	<b>168 930</b>	<b>1550.8</b>	<b>10 893</b>	<b>0.1</b>	<b>44 605</b>	<b>409.5</b>
Buildings and other fixed structures	-	-	-	51 561	-	-	-	623	-
Machinery and equipment	10 893	18 645	171.2	99 821	916.4	10 893	0.1	42 936	394.2
Software and other intangible assets	-	-	-	17 548	-	-	-	1 046	-
<b>Total</b>	<b>7 348 725</b>	<b>3 415 765</b>	<b>46.5</b>	<b>7 345 969</b>	<b>100.0</b>	<b>8 155 805</b>	<b>100.0</b>	<b>4 483 402</b>	<b>55.0</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 100 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R4.5 billion, or 55 per cent of the adjusted appropriation of R8.2 billion for the year. In comparison, mid-year expenditure in 2015/16 was R3.4 billion, or 46.5 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R1.1 million, or 31.3 per cent. This was mainly due to self-financing expenditure and increased expenditure on a range of items in goods and services items, such as computer services, communications, consultants and property and operating payments.

### Departmental receipts

Programme	2015/16					2016/17				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>921 911</b>	<b>336 731</b>	<b>36.5</b>	<b>732 121</b>	<b>79.4</b>	<b>989 879</b>	<b>962 325</b>	<b>100.0</b>	<b>608 194</b>	<b>63.2</b>
Sales of goods and services produced by department	887 785	324 253	36.5	704 158	79.3	966 936	935 873	97.3	598 500	64.0
Sales of scrap, waste, arms and other used current goods	38	7	18.4	15	39.5	40	39	-	7	17.9
Fines, penalties and forfeits	24 538	7 678	31.3	15 404	62.8	12 769	16 070	1.7	4 909	30.5
Interest, dividends and rent on land	238	259	108.8	419	176.1	252	315	-	141	44.8
Sales of capital assets	2 077	229	11.0	229	11.0	2 198	2 264	0.2	514	22.7
Transactions in financial assets and liabilities	7 235	4 305	59.5	11 896	164.4	7 684	7 764	0.8	4 123	53.1
<b>Total</b>	<b>921 911</b>	<b>336 731</b>	<b>36.5</b>	<b>732 121</b>	<b>79.4</b>	<b>989 879</b>	<b>962 325</b>	<b>100.0</b>	<b>608 194</b>	<b>63.2</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R608.2 million, or 63.2 per cent of the adjusted revenue estimate of R962.3 million for the year. In comparison, mid-year revenue in 2015/16 was R336.7 million, or 36.5 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue for the same period in 2016/17 increased by R271.5 million or 80.6 per cent. This was mainly due to an increase in the number of passports, visas and identity documents issued.

## Changes to transfers and subsidies

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
Current	1 538	–	–	10 669	–	–	10 669	12 207
Employee social benefits	1 538	–	–	10 669	–	–	10 669	12 207
<b>Citizen Affairs</b>								
<b>Households</b>								
<b>Social benefits</b>								
Current	1 239	–	–	8 008	–	–	8 008	9 247
Employee social benefits	1 239	–	–	8 008	–	–	8 008	9 247
<b>Immigration Affairs</b>								
<b>Households</b>								
<b>Social benefits</b>								
Current	364	–	–	1 323	–	–	1 323	1 687
Employee social benefits	364	–	–	1 323	–	–	1 323	1 687

# Vote 6

## International Relations and Cooperation

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>5 888 651</b>	<b>6 838 651</b>	<b>-</b>	<b>950 000</b>
<b>of which:</b>				
Current payments	5 084 842	5 763 968	-	679 126
Transfers and subsidies	522 673	795 144	-	272 471
Payments for capital assets	281 136	279 539	(1 597)	-
Executive authority	Minister of International Relations and Cooperation			
Accounting officer	Director-General of International Relations and Cooperation			
Website address	www.dirco.gov.za			

### Vote purpose

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

### Mid-year performance status

	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of tourism promotional events hosted per year	International Relations	Outcome 11: Create a better South Africa, a better Africa and a better world	67	5	-
Number of structured bilateral mechanisms to promote national priorities (the African Agenda and the Agenda of the South) per year	International Relations		34	10	-
Number of high level engagements coordinated to promote national priorities (the African Agenda and the Agenda of the South) per year	International Relations		58	11	-
Number of economic diplomacy activities to attract investment, tourism and the development of cooperation per year:	International Relations				
- Trade and investment seminars			112	23	-
- Engagements with chambers of commerce			125	20	-
Number of bilateral meetings held with targeted government ministries and high level potential investors per year	International Relations		150	76	-
Number of AU structures and processes used to promote peace and stability, socioeconomic development, good governance and democracy on the continent per year	International Cooperation		3	0	-
Number of NEPAD summits, working group meetings and processes supported with substance and logistics to enhance socioeconomic development on the continent per year	International Cooperation	2	0	-	

## Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of SADC structures and processes supported with substance and logistics to promote peace and stability, socioeconomic development, good governance, democracy and regional integration per year	International Cooperation	Outcome 11: Create a better South Africa, a better Africa and a better world	11	2	-
Number of multilateral structures and processes engaged in to enhance the responsiveness of the multilateral system to South Africa's needs and the needs of developing countries per year	International Cooperation		21	3	-
Percentage of requests for protocol services responded to per year	Public Diplomacy and Protocol Services		100%	100% (6858)	-
Percentage of requests for public diplomacy services responded to per year	Public Diplomacy and Protocol Services		100%	100% (47)	-

### Mid-year progress

The department is on track to meet all its annual targets.

In the first six months of 2016/17, the department concluded 10 structured bilateral mechanisms to promote national priorities against the target of 34 planned for the year. The department has also achieved 11 high level visits of the targeted 58 for 2016/17.

In the first six months of 2016/17, the department continued to advance national priorities through high level visits and structured bilateral engagements. In July 2016, the department provided inputs when AU heads of state and ministers of finance convened in Rwanda to discuss alternative financing mechanisms, and adopted the decision to implement a 0.2 per cent levy on eligible imports to be instituted in 2017 by all member states to finance the union.

South Africa also hosted the 17th Conference of Parties to the Convention on the International Trade in Endangered Species (CITES-COP17), which addressed a range of issues pertaining to the legal and sustainable wildlife trade and measures to tackle illicit wildlife trafficking.

South Africa continues to engage in multilateral structures of engagement such as the G20 Leaders' Summit, the United Nations General Assembly and the Forum on China-Africa Cooperation in support of national and continental imperatives of socioeconomic and political development, and also supports reforms to the global system of governance.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	1 458 674	-	-	-	-	-	-	1 458 674
International Relations	3 083 079	-	677 129	64 940	-	-	742 069	3 825 148
International Cooperation	579 280	-	-	(64 940)	-	-	(64 940)	514 340
Public Diplomacy and Protocol Services	252 080	-	-	-	-	-	-	252 080
International Transfers	515 538	-	272 871	-	-	-	272 871	788 409
<b>Total</b>	<b>5 888 651</b>	<b>-</b>	<b>950 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>950 000</b>	<b>6 838 651</b>

Economic classification	2016/17							
	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>5 084 842</b>	–	<b>677 129</b>	<b>1 997</b>	–	–	<b>679 126</b>	<b>5 763 968</b>
Compensation of employees	2 767 354	–	304 018	–	–	–	304 018	3 071 372
Goods and services	2 265 234	–	373 111	1 997	–	–	375 108	2 640 342
Interest and rent on land	52 254	–	–	–	–	–	–	52 254
<b>Transfers and subsidies</b>	<b>522 673</b>	–	<b>272 871</b>	<b>(400)</b>	–	–	<b>272 471</b>	<b>795 144</b>
Departmental agencies and accounts	8 831	–	–	–	–	–	–	8 831
Foreign governments and international organisations	506 707	–	272 871	–	–	–	272 871	779 578
Households	7 135	–	–	(400)	–	–	(400)	6 735
<b>Payments for capital assets</b>	<b>281 136</b>	–	–	<b>(1 597)</b>	–	–	<b>(1 597)</b>	<b>279 539</b>
Buildings and other fixed structures	249 922	–	–	(1 247)	–	–	(1 247)	248 675
Machinery and equipment	31 214	–	–	(350)	–	–	(350)	30 864
<b>Total</b>	<b>5 888 651</b>	–	<b>950 000</b>	–	–	–	<b>950 000</b>	<b>6 838 651</b>

**Programme 1: Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	6 859	–	–	–	–	–	–	6 859
Departmental Management	16 606	–	–	–	–	–	–	16 606
Audit Services	20 431	–	–	(1 400)	–	–	(1 400)	19 031
Financial Management	134 273	–	–	12 100	–	–	12 100	146 373
Corporate Services	653 173	–	–	(10 700)	–	–	(10 700)	642 473
Diplomatic Training, Research and Development	72 709	–	–	–	–	–	–	72 709
Foreign Fixed Assets Management	235 701	–	–	–	–	–	–	235 701
Office Accommodation	318 922	–	–	–	–	–	–	318 922
<b>Total</b>	<b>1 458 674</b>	–	–	–	–	–	–	<b>1 458 674</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 193 306</b>	–	–	–	–	–	–	<b>1 193 306</b>
Compensation of employees	401 780	–	–	–	–	–	–	401 780
Goods and services	739 272	–	–	–	–	–	–	739 272
Interest and rent on land	52 254	–	–	–	–	–	–	52 254
<b>Transfers and subsidies</b>	<b>1 404</b>	–	–	–	–	–	–	<b>1 404</b>
Households	1 404	–	–	–	–	–	–	1 404
<b>Payments for capital assets</b>	<b>263 964</b>	–	–	–	–	–	–	<b>263 964</b>
Buildings and other fixed structures	248 675	–	–	–	–	–	–	248 675
Machinery and equipment	15 289	–	–	–	–	–	–	15 289
<b>Total</b>	<b>1 458 674</b>	–	–	–	–	–	–	<b>1 458 674</b>

**Programme 2: International Relations**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Africa	957 366	–	198 518	33 940	–	–	232 458	1 189 824
Asia and Middle East	768 902	–	227 611	19 000	–	–	246 611	1 015 513
Americas and Caribbean	525 677	–	109 000	–	–	–	109 000	634 677
Europe	831 134	–	142 000	12 000	–	–	154 000	985 134
<b>Total</b>	<b>3 083 079</b>	–	<b>677 129</b>	<b>64 940</b>	–	–	<b>742 069</b>	<b>3 825 148</b>

**Programme 2: International Relations (continued)**

Economic classification	2016/17							
	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>3 063 800</b>	–	<b>677 129</b>	<b>66 587</b>	–	–	<b>743 716</b>	<b>3 807 516</b>
Compensation of employees	1 834 429	–	304 018	41 400	–	–	345 418	2 179 847
Goods and services	1 229 371	–	373 111	25 187	–	–	398 298	1 627 669
<b>Transfers and subsidies</b>	<b>4 833</b>	–	–	<b>(400)</b>	–	–	<b>(400)</b>	<b>4 433</b>
Households	4 833	–	–	(400)	–	–	(400)	4 433
<b>Payments for capital assets</b>	<b>14 446</b>	–	–	<b>(1 247)</b>	–	–	<b>(1 247)</b>	<b>13 199</b>
Buildings and other fixed structures	1 247	–	–	(1 247)	–	–	(1 247)	–
Machinery and equipment	13 199	–	–	–	–	–	–	13 199
<b>Total</b>	<b>3 083 079</b>	–	<b>677 129</b>	<b>64 940</b>	–	–	<b>742 069</b>	<b>3 825 148</b>

**Programme 3: International Cooperation**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Global System of Governance	310 020	–	–	(13 924)	–	–	(13 924)	296 096
Continental Cooperation	184 288	–	–	(50 940)	–	–	(50 940)	133 348
South-South Cooperation	6 405	–	–	–	–	–	–	6 405
North-South Dialogue	78 567	–	–	(76)	–	–	(76)	78 491
<b>Total</b>	<b>579 280</b>	–	–	<b>(64 940)</b>	–	–	<b>(64 940)</b>	<b>514 340</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>577 052</b>	–	–	<b>(64 940)</b>	–	–	<b>(64 940)</b>	<b>512 112</b>
Compensation of employees	384 632	–	–	(41 400)	–	–	(41 400)	343 232
Goods and services	192 420	–	–	(23 540)	–	–	(23 540)	168 880
<b>Transfers and subsidies</b>	<b>517</b>	–	–	–	–	–	–	<b>517</b>
Households	517	–	–	–	–	–	–	517
<b>Payments for capital assets</b>	<b>1 711</b>	–	–	–	–	–	–	<b>1 711</b>
Machinery and equipment	1 711	–	–	–	–	–	–	1 711
<b>Total</b>	<b>579 280</b>	–	–	<b>(64 940)</b>	–	–	<b>(64 940)</b>	<b>514 340</b>

**Programme 4: Public Diplomacy and Protocol Services**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Public Diplomacy	70 560	–	–	–	–	–	–	70 560
Protocol Services	181 520	–	–	–	–	–	–	181 520
<b>Total</b>	<b>252 080</b>	–	–	–	–	–	–	<b>252 080</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>250 684</b>	–	–	<b>350</b>	–	–	<b>350</b>	<b>251 034</b>
Compensation of employees	146 513	–	–	–	–	–	–	146 513
Goods and services	104 171	–	–	350	–	–	350	104 521
<b>Transfers and subsidies</b>	<b>381</b>	–	–	–	–	–	–	<b>381</b>
Households	381	–	–	–	–	–	–	381
<b>Payments for capital assets</b>	<b>1 015</b>	–	–	<b>(350)</b>	–	–	<b>(350)</b>	<b>665</b>
Machinery and equipment	1 015	–	–	(350)	–	–	(350)	665
<b>Total</b>	<b>252 080</b>	–	–	–	–	–	–	<b>252 080</b>

**Programme 5: International Transfers**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Departmental agencies	8 831	-	-	-	-	-	-	8 831
Membership contribution	506 707	-	272 871	-	-	-	272 871	779 578
<b>Total</b>	<b>515 538</b>	<b>-</b>	<b>272 871</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>272 871</b>	<b>788 409</b>
<b>Economic classification</b>								
<b>Transfers and subsidies</b>	<b>515 538</b>	<b>-</b>	<b>272 871</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>272 871</b>	<b>788 409</b>
Departmental agencies and accounts	8 831	-	-	-	-	-	-	8 831
Foreign governments and international organisations	506 707	-	272 871	-	-	-	272 871	779 578
<b>Total</b>	<b>515 538</b>	<b>-</b>	<b>272 871</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>272 871</b>	<b>788 409</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Unforeseeable and unavoidable expenditure – R950 million**

R950 million has been allocated for unforeseeable and unavoidable expenditure for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed.

**Programme 2: International Relations**

R677.129 million mainly for accommodation leases, foreign allowances, education allowances, foreign municipality costs and special travel allowances. Expenditure under these items represents the bulk of missions' budgets.

**Programme 5: International Transfers**

R272.871 million for membership fee contributions made to international organisations.

**Virements and shifts within votes**

Programmes					
1. Administration					
2. International Relations					
3. International Cooperation					
4. Public Diplomacy and Protocol Services					
5. International Transfers					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(1 647)</b>	<b>Programme 2</b>		<b>1 647</b>
Buildings and other fixed structures	Reallocation of funds due to rescheduled or deferred capital projects <sup>1</sup>	(1 247)	Goods and services	Operating payments	1 247
Households	Reclassification of funds due to an incorrect classification in the 2016 ENE	(400)	Goods and services	Reclassification of funds due to an incorrect classification in the 2016 ENE	400
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(64 940)</b>	<b>Programme 2</b>		<b>64 940</b>
Compensation of employees	Vacant posts	(41 400)	Compensation of employees	Foreign missions	41 400
Goods and services	Cost containment measures effected on operating leases, travel and subsistence, and operating payments	(23 540)	Goods and services	Operating leases and operating payments	23 540
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>11.2%</b> <sup>1</sup>			

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(350)</b>	<b>Programme 4</b>		<b>350</b>
Machinery and equipment	Reallocation of funds due to rescheduled or deferred capital projects <sup>1</sup>	(350)	Goods and services	Venues, facilities and consumable supplies	350
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(66 937)</b>	<b>66 937</b>		

1. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
Administration	1 381 600	588 438	42.6	1 381 471	100.0	1 458 674	21.3	618 379	42.4	
International Relations	3 506 175	1 618 268	46.2	3 640 379	103.8	3 825 148	55.9	1 961 087	51.3	
International Cooperation	525 201	243 858	46.4	523 051	99.6	514 340	7.5	231 380	45.0	
Public Diplomacy and Protocol Services	363 557	168 967	46.5	333 222	91.7	252 080	3.7	120 565	47.8	
International Transfers	734 321	138 936	18.9	766 641	104.4	788 409	11.5	221 523	28.1	
<b>Total</b>	<b>6 510 854</b>	<b>2 758 467</b>	<b>42.4</b>	<b>6 644 764</b>	<b>102.1</b>	<b>6 838 651</b>	<b>100.0</b>	<b>3 152 934</b>	<b>46.1</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>5 561 292</b>	<b>2 557 921</b>	<b>46.0</b>	<b>5 614 055</b>	<b>100.9</b>	<b>5 763 968</b>	<b>84.3</b>	<b>2 857 109</b>	<b>49.6</b>	
Compensation of employees	2 980 731	1 361 249	45.7	3 083 741	103.5	3 071 372	44.9	1 535 800	50.0	
Goods and services	2 531 358	1 173 651	46.4	2 474 936	97.8	2 640 342	38.6	1 292 859	49.0	
Interest and rent on land	49 203	23 021	46.8	55 378	112.6	52 254	0.8	28 450	54.4	
<b>Transfers and subsidies</b>	<b>740 277</b>	<b>141 120</b>	<b>19.1</b>	<b>772 538</b>	<b>104.4</b>	<b>795 144</b>	<b>11.6</b>	<b>224 948</b>	<b>28.3</b>	
Departmental agencies and accounts	154 037	–	–	145 637	94.5	8 831	0.1	31	0.4	
Foreign governments and international organisations	580 284	138 935	23.9	621 004	107.0	779 578	11.4	221 492	28.4	
Households	5 956	2 185	36.7	5 897	99.0	6 735	0.1	3 425	50.9	
<b>Payments for capital assets</b>	<b>209 285</b>	<b>59 426</b>	<b>28.4</b>	<b>240 849</b>	<b>115.1</b>	<b>279 539</b>	<b>4.1</b>	<b>70 877</b>	<b>25.4</b>	
Buildings and other fixed structures	153 431	52 504	34.2	130 236	84.9	248 675	3.6	57 410	23.1	
Machinery and equipment	55 854	6 922	12.4	109 883	196.7	30 864	0.5	13 467	43.6	
Software and other intangible assets	–	–	–	730	–	–	–	–	–	
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>17 322</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	
<b>Total</b>	<b>6 510 854</b>	<b>2 758 467</b>	<b>42.4</b>	<b>6 644 764</b>	<b>102.1</b>	<b>6 838 651</b>	<b>100.0</b>	<b>3 152 934</b>	<b>46.1</b>	

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 102.1 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R3.2 billion or 46.1 per cent of the adjusted appropriation of R6.8 billion for the year. In comparison, mid-year expenditure in 2015/16 was R2.8 billion, or 42.4 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R394.5 million, or 14.3 per cent. The increase was mainly due to foreign exchange fluctuations and to accommodate increased transfer payments to the African Union (AU) and the Southern African Development Community (SADC).

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>41 846</b>	<b>13 928</b>	<b>33.3</b>	<b>34 884</b>	<b>83.4</b>	<b>42 740</b>	<b>24 340</b>	<b>100.0</b>	<b>19 354</b>	<b>79.5</b>
Sales of goods and services produced by department	2 114	845	40.0	1 013	47.9	1 534	853	3.5	667	78.2
Transfers received	244	244	100.0	-	-	-	-	-	-	-
Interest, dividends and rent on land	2 506	1 384	55.2	1 740	69.4	1 145	532	2.2	384	72.2
Sales of capital assets	2 061	1 311	63.6	5 807	281.8	3 185	3 200	13.1	2 617	81.8
Transactions in financial assets and liabilities	34 921	10 144	29.0	26 324	75.4	36 876	19 755	81.2	15 686	79.4
<b>Total</b>	<b>41 846</b>	<b>13 928</b>	<b>33.3</b>	<b>34 884</b>	<b>83.4</b>	<b>42 740</b>	<b>24 340</b>	<b>100.0</b>	<b>19 354</b>	<b>79.5</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R19.4 million, or 79.5 per cent of the adjusted revenue estimate of R24.3 million for the year. In comparison, mid-year revenue in 2015/16 was R13.9 million, or 33.3 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R5.4 million, or 39 per cent. This was mainly due to VAT refunds on exempted goods and services in foreign missions.

## Changes to transfers and subsidies

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

R thousand	Main appropriation	2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>International Relations</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>4 833</b>	-	-	(400)	-	-	(400)	<b>4 433</b>
Employee social benefits	4 833	-	-	(400)	-	-	(400)	4 433
<b>International Transfers</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>450 504</b>	-	<b>272 871</b>	-	-	-	<b>272 871</b>	<b>723 375</b>
African Union	168 707	-	80 501	-	-	-	80 501	249 208
India-Brazil-South Africa Trust Fund	9 923	-	17 009	-	-	-	17 009	26 932
New Partnership for Africa's Development	8 757	-	-	(1 403)	-	-	(1 403)	7 354
African, Caribbean and Pacific Group of States	4 610	-	-	(255)	-	-	(255)	4 355
Commonwealth of Nations	10 973	-	20 040	-	-	-	20 040	31 013
South African Development Community	53 044	-	60 120	-	-	-	60 120	113 164
United Nations	154 090	-	95 201	42 058	-	-	137 259	291 349
African Union Commission	40 400	-	-	(40 400)	-	-	(40 400)	-



# Vote 7

## National Treasury

### Adjusted budget summary

		2016/17		
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>28 471 417</b>	<b>28 471 417</b>	-	-
Current payments	2 092 311	2 490 964	-	398 653
Transfers and subsidies	22 188 980	21 922 325	(266 655)	-
Payments for capital assets	37 976	56 893	-	18 917
Payments for financial assets	4 152 150	4 001 235	(150 915)	-
<b>Direct charge against the National Revenue Fund</b>	<b>569 787 416</b>	<b>570 833 034</b>	<b>-</b>	<b>1 045 618</b>
Executive authority	Minister of Finance			
Accounting officer	Director-General of the National Treasury			
Website address	www.treasury.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Net loan debt as a percentage of GDP	Asset and Liability Management	Outcome 4: Decent employment through inclusive economic growth	45.7% (R2tr)	44.6% (R1.9tr)	45.8% (R2tr)
Value of government gross annual borrowing	Asset and Liability Management		R229.5bn	R183.6bn	R237.8bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		3.4% (R147.7bn)	1.6% (R71.7bn)	3.4% (R147.7bn)
Number of active training providers delivering the municipal regulated minimum competency levels programme per year	Financial Accounting and Supply Chain Management Systems	Outcome 12: An efficient, effective and development oriented public service	43	40	-
Percentage of identified transversal contracts with strategic sourcing principles introduced per year	Financial Accounting and Supply Chain Management Systems		100% (14)	85% (12)	-
Number of individuals trained per year to assist with the implementation of financial management reforms	Financial Accounting and Supply Chain Management Systems		750	1 358	-
Number of neighbourhood development partnership grant projects under construction per year	Technical Support and Development Finance	Outcome 9: Responsive, accountable, effective and efficient developmental local government system	40	- <sup>1</sup>	-
Total estimated third party investment leveraged	Technical Support and Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	R3.5bn	R4.5bn	-

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Total number of new jobs contracted for approved and active projects in the Jobs Fund	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive economic growth	150 000	122 048	–
Number of long term urban regeneration programmes registered per year	Technical Support and Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	18	– <sup>1</sup>	–
Number of training placements contracted with active private companies in the Jobs Fund per year	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive economic growth	160 000	220 501	–
Number of placements contracted with project partners on the Jobs Fund (cumulative inception to date and still active) per year	Technical Support and Development Finance		70 000	88 997	–

1. Indicators will no longer be measured due to realignment with the 2016/17 annual performance plan where they are no longer included. The annual performance plan has been changed to measure precinct plans instead.

### Changes to indicators and targets published in the 2016 ENE

Government's gross borrowing requirement for 2016/17 is estimated to increase in line with the now projected higher budget deficit. A decrease in debt-service costs is expected due to changes to macroeconomic variables, such as interest and foreign exchange rates.

### Mid-year progress

It was planned that in 2016/17, 750 individuals would be trained to assist with the implementation of financial management reforms. The actual number in the first six months of 2016/17 was 1 358, a clear over-achievement of the target. This can be attributed to the variety of funding models that were employed and the fact that procurement processes for the appointment of training providers were initiated before the start of the financial year. This resulted in the earlier engagement of service providers.

The number of accredited training providers delivering the municipal regulated minimum competency levels programme was targeted at 43 service providers for 2016/17. The process of accreditation went more quickly than anticipated, with 40, or 93 per cent, of service providers being appointed in the first six months of 2016/17. The annual target of 43 will remain unchanged and is clearly attainable for the remainder of 2016/17.

In the first six months of 2016/17, 12 transversal contracts containing strategic sourcing principles were finalised. This represents 86 per cent of the initial annual target of 14 transversal contracts, and due to more requests for transversal contracts received than anticipated.

In the first six months of 2016/17, the Jobs Fund registered a cumulative total of 122 048 or 81 per cent of new jobs contracted between the Jobs Fund and project partners against the target of 150 000 jobs. The higher than anticipated registration of new jobs contracted between the Jobs Fund and project partners led to an over-achievement in training numbers, with a cumulative total of 220 501 training opportunities against the cumulative annual target of 160 000. In addition, in the first six months, the Jobs Fund exceeded the target on the number of previously placed individuals who are still contracted with the Jobs Fund project partners. The target is set at 70 000 and the number of individuals still in the employ of the project partners since the inception of the Jobs Fund was 88 997.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	412 661	-	-	54 755	-	-	54 755	467 416
Economic Policy, Tax, Financial Regulation and Research	146 070	-	-	4 091	-	-	4 091	150 161
Public Finance and Budget Management	286 955	-	-	7 528	-	-	7 528	294 483
Asset and Liability Management	107 211	-	-	5 918	-	-	5 918	113 129
Financial Accounting and Supply Chain Management Systems	849 854	-	-	366 904	-	-	366 904	1 216 758
International Financial Relations	5 039 068	-	-	(61 091)	-	-	(61 091)	4 977 977
Civil and Military Pensions, Contributions to Funds and Other Benefits	4 173 242	-	-	289 400	-	-	289 400	4 462 642
Technical Support and Development Finance	2 634 718	-	-	(22 030)	-	-	(22 030)	2 612 688
Revenue Administration	10 009 151	-	-	(645 475)	-	-	(645 475)	9 363 676
Financial Intelligence and State Security	4 812 487	-	-	-	-	-	-	4 812 487
<b>Subtotal</b>	<b>28 471 417</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28 471 417</b>
<b>Direct charge against the National Revenue Fund</b>	<b>569 787 416</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 045 618</b>	<b>1 045 618</b>	<b>570 833 034</b>
Provincial equitable share	410 698 585	-	-	-	-	-	-	410 698 585
Debt-service costs	147 720 000	-	-	-	-	(30 775)	(30 775)	147 689 225
General fuel levy sharing with metropolitan municipalities	11 223 831	-	-	-	-	-	-	11 223 831
National Revenue Fund payments	145 000	-	-	-	-	1 076 393	1 076 393	1 221 393
<b>Total</b>	<b>598 258 833</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 045 618</b>	<b>1 045 618</b>	<b>599 304 451</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>149 812 311</b>	<b>-</b>	<b>-</b>	<b>398 653</b>	<b>-</b>	<b>(30 775)</b>	<b>367 878</b>	<b>150 180 189</b>
Compensation of employees	817 558	-	-	(1 842)	-	-	(1 842)	815 716
Goods and services	1 274 753	-	-	400 495	-	-	400 495	1 675 248
Interest and rent on land	147 720 000	-	-	-	-	(30 775)	(30 775)	147 689 225
<b>Transfers and subsidies</b>	<b>444 111 396</b>	<b>-</b>	<b>-</b>	<b>(266 655)</b>	<b>-</b>	<b>-</b>	<b>(266 655)</b>	<b>443 844 741</b>
Provinces and municipalities	423 408 956	-	-	-	-	-	-	423 408 956
Departmental agencies and accounts	15 741 513	-	-	(645 475)	-	-	(645 475)	15 096 038
Foreign governments and international organisations	837 977	-	-	87 545	-	-	87 545	925 522
Public corporations and private enterprises	11 999	-	-	-	-	-	-	11 999
Households	4 110 951	-	-	291 275	-	-	291 275	4 402 226
<b>Payments for capital assets</b>	<b>37 976</b>	<b>-</b>	<b>-</b>	<b>18 917</b>	<b>-</b>	<b>-</b>	<b>18 917</b>	<b>56 893</b>
Buildings and other fixed structures	-	-	-	200	-	-	200	200
Machinery and equipment	37 946	-	-	18 717	-	-	18 717	56 663
Software and other intangible assets	30	-	-	-	-	-	-	30
<b>Payments for financial assets</b>	<b>4 297 150</b>	<b>-</b>	<b>-</b>	<b>(150 915)</b>	<b>-</b>	<b>1 076 393</b>	<b>925 478</b>	<b>5 222 628</b>
<b>Total</b>	<b>598 258 833</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 045 618</b>	<b>1 045 618</b>	<b>599 304 451</b>

### Programme 1: Administration

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Ministry	4 509	-	-	(472)	-	-	(472)	4 037
Departmental Management	49 597	-	-	2 656	-	-	2 656	52 253
Corporate Services	135 463	-	-	20 216	-	-	20 216	155 679
Enterprise Wide Risk Management	25 709	-	-	1 381	-	-	1 381	27 090
Financial Administration	41 224	-	-	10 570	-	-	10 570	51 794
Legal Services	19 668	-	-	356	-	-	356	20 024
Internal Audit	22 835	-	-	504	-	-	504	23 339
Communications	11 865	-	-	1 478	-	-	1 478	13 343
Office Accommodation	101 791	-	-	18 066	-	-	18 066	119 857
<b>Total</b>	<b>412 661</b>	<b>-</b>	<b>-</b>	<b>54 755</b>	<b>-</b>	<b>-</b>	<b>54 755</b>	<b>467 416</b>

**Programme 1: Administration (continued)**

Economic classification	2016/17								
	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>379 340</b>	–	–	<b>37 824</b>	–	–	<b>37 824</b>	<b>417 164</b>	
Compensation of employees	196 878	–	–	13 294	–	–	13 294	210 172	
Goods and services	182 462	–	–	24 530	–	–	24 530	206 992	
<b>Transfers and subsidies</b>	<b>3 696</b>	–	–	<b>928</b>	–	–	<b>928</b>	<b>4 624</b>	
Departmental agencies and accounts	2 116	–	–	–	–	–	–	2 116	
Households	1 580	–	–	928	–	–	928	2 508	
<b>Payments for capital assets</b>	<b>29 625</b>	–	–	<b>16 003</b>	–	–	<b>16 003</b>	<b>45 628</b>	
Machinery and equipment	29 625	–	–	16 003	–	–	16 003	45 628	
<b>Total</b>	<b>412 661</b>	–	–	<b>54 755</b>	–	–	<b>54 755</b>	<b>467 416</b>	

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

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management for Economic Policy, Tax, Financial Regulation and Research	23 337	–	–	1 130	–	–	1 130	24 467	
Research	11 708	–	–	235	–	–	235	11 943	
Financial Sector Policy	30 827	–	–	3 577	–	–	3 577	34 404	
Tax Policy	32 474	–	–	(450)	–	–	(450)	32 024	
Economic Policy	31 252	–	–	(401)	–	–	(401)	30 851	
Cooperative Banks Development Agency	16 472	–	–	–	–	–	–	16 472	
<b>Total</b>	<b>146 070</b>	–	–	<b>4 091</b>	–	–	<b>4 091</b>	<b>150 161</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>116 797</b>	–	–	<b>3 795</b>	–	–	<b>3 795</b>	<b>120 592</b>	
Compensation of employees	90 895	–	–	(7 022)	–	–	(7 022)	83 873	
Goods and services	25 902	–	–	10 817	–	–	10 817	36 719	
<b>Transfers and subsidies</b>	<b>28 471</b>	–	–	<b>147</b>	–	–	<b>147</b>	<b>28 618</b>	
Departmental agencies and accounts	16 472	–	–	–	–	–	–	16 472	
Public corporations and private enterprises	11 999	–	–	–	–	–	–	11 999	
Households	–	–	–	147	–	–	147	147	
<b>Payments for capital assets</b>	<b>802</b>	–	–	<b>149</b>	–	–	<b>149</b>	<b>951</b>	
Machinery and equipment	802	–	–	149	–	–	149	951	
<b>Total</b>	<b>146 070</b>	–	–	<b>4 091</b>	–	–	<b>4 091</b>	<b>150 161</b>	

**Programme 3: Public Finance and Budget Management**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management for Public Finance and Budget Management	23 431	–	–	(452)	–	–	(452)	22 979	
Public Finance	62 295	–	–	(3 872)	–	–	(3 872)	58 423	
Budget Office and Coordination	60 971	–	–	(2 175)	–	–	(2 175)	58 796	
Intergovernmental Relations	95 419	–	–	14 027	–	–	14 027	109 446	
Financial and Fiscal Commission	44 839	–	–	–	–	–	–	44 839	
<b>Total</b>	<b>286 955</b>	–	–	<b>7 528</b>	–	–	<b>7 528</b>	<b>294 483</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>240 568</b>	–	–	<b>6 888</b>	–	–	<b>6 888</b>	<b>247 456</b>	
Compensation of employees	213 822	–	–	(6 212)	–	–	(6 212)	207 610	
Goods and services	26 746	–	–	13 100	–	–	13 100	39 846	
<b>Transfers and subsidies</b>	<b>44 839</b>	–	–	<b>140</b>	–	–	<b>140</b>	<b>44 979</b>	
Departmental agencies and accounts	44 839	–	–	–	–	–	–	44 839	
Households	–	–	–	140	–	–	140	140	
<b>Payments for capital assets</b>	<b>1 548</b>	–	–	<b>500</b>	–	–	<b>500</b>	<b>2 048</b>	
Machinery and equipment	1 548	–	–	500	–	–	500	2 048	
<b>Total</b>	<b>286 955</b>	–	–	<b>7 528</b>	–	–	<b>7 528</b>	<b>294 483</b>	

**Programme 4: Asset and Liability Management**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management for Asset and Liability Management	21 916	-	-	4 951	-	-	4 951	26 867
State Owned Entity Financial Management and Governance	33 435	-	-	482	-	-	482	33 917
Government Debt Management	19 839	-	-	(909)	-	-	(909)	18 930
Financial Operations	21 376	-	-	923	-	-	923	22 299
Strategy and Risk Management	10 645	-	-	471	-	-	471	11 116
<b>Total</b>	<b>107 211</b>	<b>-</b>	<b>-</b>	<b>5 918</b>	<b>-</b>	<b>-</b>	<b>5 918</b>	<b>113 129</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>106 569</b>	<b>-</b>	<b>-</b>	<b>5 458</b>	<b>-</b>	<b>-</b>	<b>5 458</b>	<b>112 027</b>
Compensation of employees	76 828	-	-	549	-	-	549	77 377
Goods and services	29 741	-	-	4 909	-	-	4 909	34 650
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>369</b>	<b>-</b>	<b>-</b>	<b>369</b>	<b>369</b>
Households	-	-	-	369	-	-	369	369
<b>Payments for capital assets</b>	<b>642</b>	<b>-</b>	<b>-</b>	<b>91</b>	<b>-</b>	<b>-</b>	<b>91</b>	<b>733</b>
Machinery and equipment	642	-	-	91	-	-	91	733
<b>Total</b>	<b>107 211</b>	<b>-</b>	<b>-</b>	<b>5 918</b>	<b>-</b>	<b>-</b>	<b>5 918</b>	<b>113 129</b>

**Programme 5: Financial Accounting and Supply Chain Management Systems**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management for Financial Accounting and Supply Chain Management Systems	39 301	-	-	18 308	-	-	18 308	57 609
Office of the Chief Procurement Officer	72 016	-	-	(3 770)	-	-	(3 770)	68 246
Financial Systems	480 817	-	-	348 165	-	-	348 165	828 982
Financial Reporting for National Accounts	88 399	-	-	(423)	-	-	(423)	87 976
Financial Management Policy and Compliance Improvement	124 988	-	-	4 624	-	-	4 624	129 612
Audit Statutory Bodies	44 075	-	-	-	-	-	-	44 075
Service Charges: Commercial Banks	258	-	-	-	-	-	-	258
<b>Total</b>	<b>849 854</b>	<b>-</b>	<b>-</b>	<b>366 904</b>	<b>-</b>	<b>-</b>	<b>366 904</b>	<b>1 216 758</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>759 205</b>	<b>-</b>	<b>-</b>	<b>365 808</b>	<b>-</b>	<b>-</b>	<b>365 808</b>	<b>1 125 013</b>
Compensation of employees	204 165	-	-	(763)	-	-	(763)	203 402
Goods and services	555 040	-	-	366 571	-	-	366 571	921 611
<b>Transfers and subsidies</b>	<b>85 570</b>	<b>-</b>	<b>-</b>	<b>291</b>	<b>-</b>	<b>-</b>	<b>291</b>	<b>85 861</b>
Departmental agencies and accounts	85 570	-	-	-	-	-	-	85 570
Households	-	-	-	291	-	-	291	291
<b>Payments for capital assets</b>	<b>5 079</b>	<b>-</b>	<b>-</b>	<b>805</b>	<b>-</b>	<b>-</b>	<b>805</b>	<b>5 884</b>
Machinery and equipment	5 049	-	-	805	-	-	805	5 854
Software and other intangible assets	30	-	-	-	-	-	-	30
<b>Total</b>	<b>849 854</b>	<b>-</b>	<b>-</b>	<b>366 904</b>	<b>-</b>	<b>-</b>	<b>366 904</b>	<b>1 216 758</b>

**Programme 6: International Financial Relations**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management for International Financial Relations	11 693	-	-	945	-	-	945	12 638
International Economic Cooperation	39 693	-	-	1 334	-	-	1 334	41 027
African Integration and Support	726 351	-	-	85 720	-	-	85 720	812 071
International Development Funding Institutions	4 242 830	-	-	(150 915)	-	-	(150 915)	4 091 915
International Projects	18 501	-	-	1 825	-	-	1 825	20 326
<b>Total</b>	<b>5 039 068</b>	<b>-</b>	<b>-</b>	<b>(61 091)</b>	<b>-</b>	<b>-</b>	<b>(61 091)</b>	<b>4 977 977</b>

**Programme 6: International Financial Relations (continued)**

Economic classification	2016/17								
	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>51 106</b>	–	–	910	–	–	910	52 016	
Compensation of employees	34 970	–	–	(1 688)	–	–	(1 688)	33 282	
Goods and services	16 136	–	–	2 598	–	–	2 598	18 734	
<b>Transfers and subsidies</b>	<b>835 532</b>	–	–	<b>87 545</b>	–	–	<b>87 545</b>	<b>923 077</b>	
Foreign governments and international organisations	835 532	–	–	87 545	–	–	87 545	923 077	
<b>Payments for capital assets</b>	<b>280</b>	–	–	<b>1 369</b>	–	–	<b>1 369</b>	<b>1 649</b>	
Buildings and other fixed structures	–	–	–	200	–	–	200	200	
Machinery and equipment	280	–	–	1 169	–	–	1 169	1 449	
<b>Payments for financial assets</b>	<b>4 152 150</b>	–	–	<b>(150 915)</b>	–	–	<b>(150 915)</b>	<b>4 001 235</b>	
<b>Total</b>	<b>5 039 068</b>	–	–	<b>(61 091)</b>	–	–	<b>(61 091)</b>	<b>4 977 977</b>	

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

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Government Pensions Administration Agency	61 426	–	–	–	–	–	–	61 426	
Civil Pensions and Contributions to Funds	3 146 372	–	–	127 100	–	–	127 100	3 273 472	
Military Pensions and Other Benefits	965 444	–	–	162 300	–	–	162 300	1 127 744	
<b>Total</b>	<b>4 173 242</b>	–	–	<b>289 400</b>	–	–	<b>289 400</b>	<b>4 462 642</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>61 426</b>	–	–	–	–	–	–	<b>61 426</b>	
Goods and services	61 426	–	–	–	–	–	–	61 426	
<b>Transfers and subsidies</b>	<b>4 111 816</b>	–	–	<b>289 400</b>	–	–	<b>289 400</b>	<b>4 401 216</b>	
Foreign governments and international organisations	2 445	–	–	–	–	–	–	2 445	
Households	4 109 371	–	–	289 400	–	–	289 400	4 398 771	
<b>Total</b>	<b>4 173 242</b>	–	–	<b>289 400</b>	–	–	<b>289 400</b>	<b>4 462 642</b>	

**Programme 8: Technical Support and Development Finance**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Local Government Financial Management Support	591 935	–	–	(4 000)	–	–	(4 000)	587 935	
Urban Development and Support	913 014	–	–	–	–	–	–	913 014	
Employment Creation Facilitation	782 883	–	–	(13 030)	–	–	(13 030)	769 853	
Government Technical Advisory Centre	88 006	–	–	–	–	–	–	88 006	
Infrastructure Development Support	258 880	–	–	(5 000)	–	–	(5 000)	253 880	
<b>Total</b>	<b>2 634 718</b>	–	–	<b>(22 030)</b>	–	–	<b>(22 030)</b>	<b>2 612 688</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>377 300</b>	–	–	<b>(22 030)</b>	–	–	<b>(22 030)</b>	<b>355 270</b>	
Goods and services	377 300	–	–	(22 030)	–	–	(22 030)	355 270	
<b>Transfers and subsidies</b>	<b>2 257 418</b>	–	–	–	–	–	–	<b>2 257 418</b>	
Provinces and municipalities	1 486 540	–	–	–	–	–	–	1 486 540	
Departmental agencies and accounts	770 878	–	–	–	–	–	–	770 878	
<b>Total</b>	<b>2 634 718</b>	–	–	<b>(22 030)</b>	–	–	<b>(22 030)</b>	<b>2 612 688</b>	

**Programme 9: Revenue Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
South African Revenue Service	10 009 151	–	–	(645 475)	–	–	(645 475)	9 363 676
<b>Total</b>	<b>10 009 151</b>	<b>–</b>	<b>–</b>	<b>(645 475)</b>	<b>–</b>	<b>–</b>	<b>(645 475)</b>	<b>9 363 676</b>
<b>Economic classification</b>								
<b>Transfers and subsidies</b>	<b>10 009 151</b>	<b>–</b>	<b>–</b>	<b>(645 475)</b>	<b>–</b>	<b>–</b>	<b>(645 475)</b>	<b>9 363 676</b>
Departmental agencies and accounts	10 009 151	–	–	(645 475)	–	–	(645 475)	9 363 676
<b>Total</b>	<b>10 009 151</b>	<b>–</b>	<b>–</b>	<b>(645 475)</b>	<b>–</b>	<b>–</b>	<b>(645 475)</b>	<b>9 363 676</b>

**Direct charge against the National Revenue Fund**

	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Provincial equitable share	410 698 585	–	–	–	–	–	–	410 698 585
Debt-service costs	147 720 000	–	–	–	–	(30 775)	(30 775)	147 689 225
General fuel levy sharing with metropolitan municipalities	11 223 831	–	–	–	–	–	–	11 223 831
National Revenue Fund payments	145 000	–	–	–	–	1 076 393	1 076 393	1 221 393
<b>Total</b>	<b>569 787 416</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 045 618</b>	<b>1 045 618</b>	<b>570 833 034</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>147 720 000</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(30 775)</b>	<b>(30 775)</b>	<b>147 689 225</b>
Interest and rent on land	147 720 000	–	–	–	–	(30 775)	(30 775)	147 689 225
<b>Transfers and subsidies</b>	<b>421 922 416</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>421 922 416</b>
Provinces and municipalities	421 922 416	–	–	–	–	–	–	421 922 416
<b>Payments for financial assets</b>	<b>145 000</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 076 393</b>	<b>1 076 393</b>	<b>1 221 393</b>
<b>Total</b>	<b>569 787 416</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 045 618</b>	<b>1 045 618</b>	<b>570 833 034</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes**

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(926)</b>	<b>Programme 1</b>		<b>604</b>
Goods and services	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(604)	Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	604
	Cost containment measures and efficiencies effected, mainly on catering, consultants and communications	(284)	<b>Programme 2</b>		<b>322</b>
			Goods and services	Consultancy services for the e-commerce project and the annual payment for the Organisation for Economic Cooperation Development	284
Machinery and equipment	Cost containment measures effected on the procurement of equipment, such as bulk buying and improved governance on the procurement of ICT equipment	(38)	Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	38
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.1%			

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(7 132)</b>	<b>Programme 2</b>		<b>110</b>
Goods and services	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(110)	Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	110
Compensation of employees	Vacant posts and staff attrition	(6 875)	<b>Programme 1</b>		<b>6 875</b>
			Compensation of employees	Increase in personnel remuneration and provision for the upgrading of posts in line with the 2009 resolution of the Public Service Co-ordinating Bargaining Council	6 875
	Vacant posts and staff attrition <sup>1</sup>	(147)	<b>Programme 2</b>		<b>147</b>
			Households	Leave gratuities	147
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>4.7%</b>			
<b>Programme 3</b>		<b>(6 712)</b>	<b>Programme 3</b>		<b>500</b>
Goods and services	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(500)	Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	500
Compensation of employees	Vacant posts and staff attrition	(5 560)	<b>Programme 1</b>		<b>6 072</b>
			Compensation of employees	Increase in personnel remuneration and provision for the upgrading of posts in line with the 2009 resolution of the Public Service Co-ordinating Bargaining Council	5 560
	Vacant posts and staff attrition <sup>1</sup>	(512)	Households	Leave gratuities	512
	Vacant posts and staff attrition <sup>1</sup>	(140)	<b>Programme 3</b>		<b>140</b>
			Households	Leave gratuities	140
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>2.1%</b>			
<b>Programme 4</b>		<b>(91)</b>	<b>Programme 4</b>		<b>91</b>
Goods and services	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(91)	Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	91
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(6 052)</b>	<b>Programme 1</b>		<b>2 907</b>
Goods and services	Lower than anticipated expenditure, mainly on consultants for transversal systems such as PERSAL and Vulindlela	(2 907)	Goods and services	Redesigning of the department's website and intranet in line with the guidelines of the Government Communication and Information System	2 907
	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(1)	<b>Programme 2</b>		<b>126</b>
	Cost containment measures and efficiencies effected on advertising, catering, bursaries and stationery	(125)	Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	1
	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(613)	Goods and services	Annual payment for the Organisation for Economic Cooperation Development	125
Machinery and equipment	Cost containment measures and efficiencies effected on the procurement of equipment, such as bulk buying and improved governance on the procurement of ICT equipment <sup>1</sup>	(598)	<b>Programme 5</b>		<b>1 211</b>
			Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	613
			Goods and services	Training venues at the State Information and Technology Agency	598

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
			<b>Programme 1</b>		<b>599</b>
Compensation of employees	Vacant posts and staff attrition	(183)	Compensation of employees	Increase in personnel remuneration and provision for the upgrading of posts in line with the 2009 resolution of the Public Service Co-ordinating Bargaining Council	183
	Vacant posts and staff attrition <sup>1</sup>	(416)	Households	Leave gratuities	416
	Vacant posts and staff attrition	(549)	<b>Programme 4</b>		<b>918</b>
	Vacant posts and staff attrition <sup>1</sup>	(369)	Compensation of employees	Adjustments to personnel remuneration	549
	Vacant posts and staff attrition <sup>1</sup>	(291)	Households	Leave gratuities	369
			<b>Programme 5</b>		<b>291</b>
			Households	Leave gratuities	291
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>0.5%</b>			
<b>Programme 6</b>		<b>(234 929)</b>	<b>Programme 6</b>		<b>47</b>
Goods and services	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(14)	Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	14
	Cost containment measures and efficiencies effected on advertising, catering, bursaries and stationery	(33)	Compensation of employees	Adjustments to personnel remuneration <sup>2</sup>	33
			<b>Programme 1</b>		<b>676</b>
Compensation of employees	Vacant posts and staff attrition	(676)	Compensation of employees	Foreign allowances and adjustments to personnel remuneration	676
	Vacant posts and staff attrition	(1 045)	<b>Programme 5</b>		<b>1 045</b>
			Compensation of employees	Adjustments to personnel remuneration	1 045
			<b>Programme 1</b>		<b>37 948</b>
Payments for financial assets	Reduced spending due to the lower than anticipated transfer payment to the New Development Bank	(15 437)	Machinery and equipment	Procurement of ICT infrastructure for disaster recovery and a generator	15 437
	Reduced spending due to the lower than anticipated transfer payment to the New Development Bank	(22 511)	Goods and services	Renewal of software licences	22 511
	Reduced spending due to the lower than anticipated transfer payment to the New Development Bank	(10 518)	<b>Programme 2</b>		<b>10 518</b>
	Reduced spending due to the lower than anticipated transfer payment to the New Development Bank	(17 538)	Goods and services	Consultancy fees for investigations into the abuse of emolument attachment orders	10 518
	Reduced spending due to the lower than anticipated transfer payment to the New Development Bank	(1 155)	<b>Programme 5</b>		<b>17 538</b>
	Reduced spending due to the lower than anticipated transfer payment to the New Development Bank	(1 677)	Goods and services	Shortfall in funding for a range of projects within the Office of the Chief Procurement Officer	17 538
	Reduced spending due to the lower than anticipated transfer payment to the New Development Bank	(1 825)	<b>Programme 6</b>		<b>4 857</b>
			Machinery and equipment	Procurement of office equipment and assets for the new Africa Regional Centre office based in Johannesburg	1 155
			Goods and services	Intensification of operations of the newly established Africa Regional Centre office based in Johannesburg	1 677
			Foreign governments and international organisations	Transfer to the International Funding Facility for Immunisation for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed <sup>1</sup>	1 825

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Reduced spending due to the lower than anticipated transfer payment to the New Development Bank	(200)	Buildings and other fixed structures	Refurbishment of the office of the African regional centre of the New Development Bank, in Johannesburg	200
	Reduced spending due to the lower than anticipated transfer payment to the New Development Bank	(162 300)	<b>Programme 7</b>		<b>162 300</b>
			Households	Shortfall in funding for the pension dispensation of the non- statutory forces	162 300
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>4.6%</b>			
<b>Programme 8</b>		<b>(22 030)</b>	<b>Programme 3</b>		<b>13 600</b>
Goods and services	Reduced spending on consultancy services for the Employment Creation Facilitation Fund <sup>1</sup>	(13 600)	Goods and services	Consultancy services for projects related to the standard chart of accounts	13 600
	Reduced spending on consultancy services for the municipal finance improvement programme				
	Reduced spending on consultancy services for the infrastructure delivery improvement programme due to efficiencies effected <sup>1</sup>	(5 000)	<b>Programme 4</b>		<b>5 000</b>
			Goods and services	System development and maintenance fees to cater for the government employee housing scheme investments	5 000
				Risk calculation software due to exchange rate fluctuations	
	Reduced spending on consultancy services for the municipal finance improvement programme	(790)	<b>Programme 5</b>		<b>2 462</b>
	Reclassification of cell phone contracts due to changes to the standard chart of accounts		Machinery and equipment	Replacement of obsolete equipment	790
	Reduced spending on consultancy services for the municipal finance improvement programme	(1 672)		Reclassification of cell phone contracts due to changes to the standard chart of accounts	
			Goods and services	A range of projects within the Office of the Chief Procurement Officer	1 672
	Reduced spending on consultancy services for the municipal finance improvement programme	(968)	<b>Programme 6</b>		<b>968</b>
			Goods and services	For the preparation and hosting of the World Economic Forum	968
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.8%</b>			
<b>Programme 9</b>		<b>(645 475)</b>	<b>Programme 5</b>		<b>350 409</b>
Departmental agencies and accounts	Reduced spending on the transfer to the South African Revenue Service <sup>2</sup>	(350 409)	Goods and services	Software licence for the integrated financial management system project	350 409
	Reduced spending on the transfer to the South African Revenue Service <sup>2</sup>	(85 720)	<b>Programme 6</b>		<b>167 966</b>
			Foreign governments and international organisations	Transfer to the SADC common monetary area due to economic conditions affecting the circulation of the Rand in member countries; higher interest rates and for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed <sup>1</sup>	85 720
	Reduced spending on the transfer to the South African Revenue Service <sup>2</sup>	(82 246)	Payments for financial assets	Subscription of shares to the African Development Bank <sup>1</sup>	82 246
	Reduced spending on the transfer to the South African Revenue Service <sup>2</sup>	(127 100)	<b>Programme 7</b>		<b>127 100</b>
			Households	Post-retirement medical benefits	127 100
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>6.4%</b>			
<b>Total</b>		<b>(923 347)</b>			<b>923 347</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Direct charges against the National Revenue Fund – R1.046 billion

### Adjustments due to significant and unforeseeable economic and financial events – R1.046 billion

#### Debt-service costs

Debt-service costs have decreased by R30.775 million due to changes in macroeconomic variables such as interest and foreign exchange rates.

#### National Revenue Fund payments

National Revenue Fund payments have increased by R1.076 billion to pay premiums on the restructuring of the debt portfolio.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15 % of appropriation	Apr 15 - Sep 15 adjusted appropriation	Apr 15 - Mar 16 % of adjusted appropriation	Apr 15 - Mar 16 adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Sep 16 adjusted appropriation	
Administration	363 629	169 653	46.7	375 582	103.3	467 416	0.1	182 139	39.0	
Economic Policy, Tax, Financial Regulation and Research	135 387	61 842	45.7	131 290	97.0	150 161	–	75 174	50.1	
Public Finance and Budget Management	266 104	130 997	49.2	262 577	98.7	294 483	–	141 862	48.2	
Asset and Liability Management	3 264 890	1 044 148	32.0	3 264 294	100.0	113 129	–	44 546	39.4	
Financial Accounting and Supply Chain Management Systems	807 090	346 719	43.0	774 494	96.0	1 216 758	0.2	757 746	62.3	
International Financial Relations	3 254 926	26 454	0.8	3 546 134	108.9	4 977 977	0.8	4 001 957	80.4	
Civil and Military Pensions, Contributions to Funds and Other Benefits	3 962 941	1 497 961	37.8	3 967 698	100.1	4 462 642	0.7	1 686 650	37.8	
Technical Support and Development Finance	2 774 593	1 095 661	39.5	2 472 246	89.1	2 612 688	0.4	1 392 801	53.3	
Revenue Administration	9 334 439	4 717 220	50.5	9 334 439	100.0	9 363 676	1.6	5 004 576	53.4	
Financial Intelligence and State Security	4 562 062	2 261 849	49.6	4 562 062	100.0	4 812 487	0.8	2 332 387	48.5	
<b>Subtotal</b>	<b>28 726 061</b>	<b>11 352 504</b>	<b>39.5</b>	<b>28 690 816</b>	<b>99.9</b>	<b>28 471 417</b>	<b>4.8</b>	<b>15 619 838</b>	<b>54.9</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>525 742 590</b>	<b>258 047 260</b>	<b>49.1</b>	<b>526 636 137</b>	<b>100.2</b>	<b>570 862 926</b>	<b>95.2</b>	<b>281 006 072</b>	<b>49.2</b>	
Provincial equitable share	386 500 009	191 336 757	49.5	386 500 009	100.0	410 698 585	68.5	205 349 310	50.0	
Debt-service costs	127 902 018	62 645 110	49.0	128 795 565	100.7	147 762 578	24.7	71 684 052	48.5	
General fuel levy sharing with metropolitan municipalities	10 658 909	3 552 969	33.3	10 658 909	100.0	11 223 831	1.9	3 741 276	33.3	
National Revenue Fund payments	681 654	512 424	75.2	681 654	100.0	1 177 932	0.2	231 434	19.6	
<b>Total</b>	<b>554 468 651</b>	<b>269 399 764</b>	<b>48.6</b>	<b>555 326 953</b>	<b>100.2</b>	<b>599 334 343</b>	<b>100.0</b>	<b>296 625 910</b>	<b>49.5</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>129 824 490</b>	<b>63 504 106</b>	<b>48.9</b>	<b>130 621 473</b>	<b>100.6</b>	<b>150 253 542</b>	<b>25.1</b>	<b>72 985 890</b>	<b>48.6</b>	
Compensation of employees	733 419	373 251	50.9	732 742	99.9	815 716	0.1	404 708	49.6	
Goods and services	1 189 053	485 745	40.9	1 093 166	91.9	1 675 248	0.3	897 130	53.6	
Interest and rent on land	127 902 018	62 645 110	49.0	128 795 565	100.7	147 762 578	24.7	71 684 052	48.5	

2016 Adjusted Estimates of National Expenditure

Economic classification	2015/16					2016/17			
	Adjusted appropriation	Audited outcome			Actual expenditure				
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
R thousand									
<b>Transfers and subsidies</b>	<b>418 329 026</b>	<b>204 377 861</b>	<b>48.9</b>	<b>418 144 343</b>	<b>100.0</b>	<b>443 844 741</b>	<b>74.1</b>	<b>219 419 201</b>	<b>49.4</b>
Provinces and municipalities	398 594 174	195 647 844	49.1	398 570 749	100.0	423 408 956	70.6	209 982 683	49.6
Departmental agencies and accounts	15 042 057	7 244 689	48.2	14 816 595	98.5	15 096 038	2.5	7 764 385	51.4
Foreign governments and international organisations	777 892	2 095	0.3	831 304	106.9	925 522	0.2	1 939	0.2
Public corporations and private enterprises	11 384	4 000	35.1	11 384	100.0	11 999	-	8 000	66.7
Households	3 903 519	1 479 233	37.9	3 914 311	100.3	4 402 226	0.7	1 662 194	37.8
<b>Payments for capital assets</b>	<b>26 101</b>	<b>4 662</b>	<b>17.9</b>	<b>33 210</b>	<b>127.2</b>	<b>56 893</b>	<b>-</b>	<b>12 079</b>	<b>21.2</b>
Buildings and other fixed structures	440	-	-	-	-	200	-	-	-
Machinery and equipment	25 661	4 662	18.2	33 210	129.4	56 663	-	12 079	21.3
<b>Payments for financial assets</b>	<b>6 289 034</b>	<b>1 513 135</b>	<b>24.1</b>	<b>6 527 927</b>	<b>103.8</b>	<b>5 179 167</b>	<b>0.9</b>	<b>4 208 740</b>	<b>81.3</b>
<b>Total</b>	<b>554 468 651</b>	<b>269 399 764</b>	<b>48.6</b>	<b>555 326 953</b>	<b>100.2</b>	<b>599 334 343</b>	<b>100.0</b>	<b>296 625 910</b>	<b>49.5</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 100.2 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R296.6 billion or 49.5 per cent of the adjusted appropriation of R599.3 billion for the year. In comparison, mid-year expenditure in 2015/16 was R269.4 billion or 48.6 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R27.2 billion or 10.1 per cent. This was mainly due to increased direct charges against the National Revenue Fund, which includes: debt-service cost payments; equitable share payments to provinces and municipalities; general fuel levies; increased spending on the integrated financial management systems and the capital investment payment for the New Development Bank.

### Departmental receipts

	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>4 990 385</b>	<b>2 563 211</b>	<b>51.4</b>	<b>5 602 331</b>	<b>112.3</b>	<b>4 225 199</b>	<b>5 187 759</b>	<b>26.1</b>	<b>2 417 448</b>	<b>46.6</b>
Sales of goods and services produced by department	22 150	12 203	55.1	38 619	174.4	20 806	29 933	0.2	4 719	15.8
Sales of scrap, waste, arms and other used current goods	28	16	57.1	20	71.4	13	24	-	21	87.5
Interest, dividends and rent on land	3 867 929	1 491 309	38.6	4 640 219	120.0	3 114 050	4 067 002	20.5	1 497 469	36.8
Sales of capital assets	-	-	-	17	-	-	-	-	-	-
Transactions in financial assets and liabilities	1 100 278	1 059 683	96.3	923 456	83.9	1 090 330	1 090 800	5.5	915 239	83.9

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			Apr 16 - Sep 16 % of Apr 16 - adjusted Sep 16 estimate
		Apr 15 – Sep 15	Sep 15 - Apr 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - adjusted Mar 16 estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)		
<b>National Revenue Fund receipts</b>	<b>8 167 034</b>	<b>4 438 236</b>	<b>54.3</b>	<b>14 377 522</b>	<b>176.0</b>	<b>12 165 000</b>	<b>14 665 000</b>	<b>73.9</b>	<b>12 924 751</b>	<b>88.1</b>
Revaluation of profits on foreign currency transactions	2 600 000	1 442 730	55.5	8 869 128	341.1	12 165 000	11 154 808	56.2	10 405 610	93.3
Premiums on loan transactions	3 000 000	1 560 697	52.0	2 873 818	95.8	–	2 752 807	13.9	1 761 756	64.0
Refund on Hermes fees	–	–	–	56 579	–	–	–	–	–	–
Premiums on debt portfolio restructuring (switches)	2 564 903	1 432 678	55.9	2 564 903	100.0	–	747 193	3.8	747 193	100.0
Profit on script lending	–	–	–	10 127	–	–	–	–	–	–
Other (mainly penalties on retail bonds)	2 131	2 131	100.0	2 967	139.2	–	10 192	0.1	10 192	100.0
<b>Total</b>	<b>13 157 419</b>	<b>7 001 447</b>	<b>53.2</b>	<b>19 979 853</b>	<b>151.9</b>	<b>16 390 199</b>	<b>19 852 759</b>	<b>100.0</b>	<b>15 342 199</b>	<b>77.3</b>

### Revenue trends for the first six months of 2016/17

Excluding national revenue fund receipts, the revenue in the first six months of 2016/17 is R2.4 billion, or 46.6 per cent of the adjusted revenue estimate of R5.2 billion for the year. In comparison, mid-year revenue in 2015/16 was R2.6 billion, or 51.4 per cent of the 2015/16 adjusted estimates. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R145.8 million or 5.7 per cent. This was mainly due to lower than expected interest received on guarantee fees and other receipts under financial assets and liabilities.

In 2016/17, National Revenue Fund receipts will amount to R14.7 billion, comprising of the revaluation profits on foreign currency transactions (R11.2 billion), premiums on loan transactions (R2.8 billion), premiums on debt portfolio restructuring (R747.2 million) and other receipts (R10.2 million). Compared to the estimate in the main Budget, the increase of R2.5 billion or 20.6 per cent was mainly due to premiums on loan transactions relating to inflation linked bonds and bond switch transactions.

### Changes to transfers and subsidies

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

R thousand	Main appropriation	2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	–	928	–	–	928	928
Employee social benefits	–	–	–	928	–	–	928	928
<b>Economic Policy, Tax, Financial Regulation and Research</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	–	147	–	–	147	147
Employee social benefits	–	–	–	147	–	–	147	147
<b>Public Finance and Budget Management</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	–	140	–	–	140	140
Employee social benefits	–	–	–	140	–	–	140	140

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Asset and Liability Management</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	369	-	-	369	369
Employee social benefits	-	-	-	369	-	-	369	369
<b>Financial Accounting and Supply Chain Management Systems</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	291	-	-	291	291
Employee social benefits	-	-	-	278	-	-	278	278
Employee social benefits	-	-	-	13	-	-	13	13
<b>International Financial Relations</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	729 096	-	-	87 545	-	-	87 545	816 641
Common Monetary Area Compensation	716 421	-	-	85 720	-	-	85 720	802 141
International Finance Facility for Immunisation	12 675	-	-	1 825	-	-	1 825	14 500
<b>Civil and Military Pensions, Contributions to Funds and Other Benefits</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	2 917 675	-	-	289 400	-	-	289 400	3 207 075
Post-Retirement Medical Scheme	1 975 060	-	-	127 100	-	-	127 100	2 102 160
Military pensions: Ex-servicemen	30 870	-	-	(27 300)	-	-	(27 300)	3 570
South African citizen force	174 554	-	-	27 300	-	-	27 300	201 854
Non-statutory forces	737 191	-	-	162 300	-	-	162 300	899 491
<b>Revenue Administration</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	8 965 796	-	-	(645 475)	-	-	(645 475)	8 320 321
South African Revenue Service	8 965 796	-	-	(645 475)	-	-	(645 475)	8 320 321

# Vote 8

## Planning, Monitoring and Evaluation

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>827 662</b>	<b>797 662</b>	<b>(30 000)</b>	<b>-</b>
<b>of which:</b>				
Current payments	406 562	382 916	(23 646)	-
Transfers and subsidies	405 766	405 922	-	156
Payments for capital assets	15 334	8 824	(6 510)	-
Executive authority	Minister in the Presidency: Planning, Monitoring and Evaluation			
Accounting officer	Director-General of Planning, Monitoring and Evaluation			
Website address	www.dpme.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of progress reports submitted to Cabinet per outcome per year	Outcomes Monitoring and Evaluation	All outcomes	3	2	-
Number of local government management improvement model scorecards completed per year	Outcomes Monitoring and Evaluation		25	24	-
Number of evaluation reports approved by evaluation steering committees per year	Outcomes Monitoring and Evaluation		8	4	-
Number of assessment reports produced on outcomes data and reporting quality per year	Outcomes Monitoring and Evaluation		1	-1	-
Number of consolidated management performance assessment tool reports submitted to Cabinet per year	Institutional Performance Monitoring and Evaluation	Outcome 12: An efficient, effective and development oriented public service	1	0	-
Number of new service delivery facilities monitored resulting in a site monitoring report per year	Institutional Performance Monitoring and Evaluation		90	56	-
Number of revisited service delivery facilities where improvement monitoring was conducted, per year	Institutional Performance Monitoring and Evaluation		120	36	-
Number of sector research reports on major and cross-cutting macro social implications developed per year	National Planning		3	0	-

*1. Indicator removed from the 2016/17 annual performance plan.*

## Mid-year progress

The department is on track to meet most of its targets.

In the first six months of 2016/17, the department released the wave 4 results of the national income dynamics study and launched wave 5 of the study. The department also carried out research commissioned by the National Planning Commission on the success rates of entrepreneurial activity in townships and rural areas, and the youth labour market transitions.

Due to the overwhelming response from municipalities and the provincial departments of cooperative governance and traditional affairs, a higher than anticipated 24 out of 25 planned local government management improvement assessments were completed in the first six months of 2016/17. The department expects to exceed the target in the third and fourth quarters.

The department has conducted 56 new site visits and revisited 36 sites for improvement monitoring on service delivery, against the planned targets of 90 and 120 on new and revisited sites for the year. The department expects to exceed the initial target of 90 for new service delivery sites visited, due to the monitoring of additional facilities by Offices of the Premier.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	134 315	-	-	8 300	(1 563)	-	6 737	141 052
Outcomes Monitoring and Evaluation	108 854	-	-	(2 800)	(14 303)	-	(17 103)	91 751
Institutional Performance Monitoring and Evaluation	67 839	-	-	-	(5 884)	-	(5 884)	61 955
National Planning	103 237	-	-	(5 000)	(6 729)	-	(11 729)	91 508
National Youth Development	413 417	-	-	(500)	(1 521)	-	(2 021)	411 396
<b>Total</b>	<b>827 662</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30 000)</b>	<b>-</b>	<b>(30 000)</b>	<b>797 662</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>406 562</b>	<b>-</b>	<b>-</b>	<b>6 354</b>	<b>(30 000)</b>	<b>-</b>	<b>(23 646)</b>	<b>382 916</b>
Compensation of employees	246 550	-	-	(55)	(30 000)	-	(30 055)	216 495
Goods and services	160 012	-	-	6 409	-	-	6 409	166 421
<b>Transfers and subsidies</b>	<b>405 766</b>	<b>-</b>	<b>-</b>	<b>156</b>	<b>-</b>	<b>-</b>	<b>156</b>	<b>405 922</b>
Provinces and municipalities	-	-	-	1	-	-	1	1
Departmental agencies and accounts	405 766	-	-	-	-	-	-	405 766
Non-profit institutions	-	-	-	100	-	-	100	100
Households	-	-	-	55	-	-	55	55
<b>Payments for capital assets</b>	<b>15 334</b>	<b>-</b>	<b>-</b>	<b>(6 510)</b>	<b>-</b>	<b>-</b>	<b>(6 510)</b>	<b>8 824</b>
Buildings and other fixed structures	8 117	-	-	(8 000)	-	-	(8 000)	117
Machinery and equipment	6 367	-	-	940	-	-	940	7 307
Software and other intangible assets	850	-	-	550	-	-	550	1 400
<b>Total</b>	<b>827 662</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30 000)</b>	<b>-</b>	<b>(30 000)</b>	<b>797 662</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Departmental Management	13 133	-	-	5 170	(460)	-	4 710	17 843
Corporate and Financial Services	58 136	-	-	(4 211)	(451)	-	(4 662)	53 474
Information Technology Support	26 780	-	-	2 600	(461)	-	2 139	28 919
Internal Audit and Enterprise Risk Management	3 859	-	-	-	(191)	-	(191)	3 668
Ministerial Support	32 407	-	-	4 741	-	-	4 741	37 148
<b>Total</b>	<b>134 315</b>	<b>-</b>	<b>-</b>	<b>8 300</b>	<b>(1 563)</b>	<b>-</b>	<b>6 737</b>	<b>141 052</b>

**Programme 1: Administration (continued)**

Economic classification		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>120 269</b>	–	–	<b>15 328</b>	<b>(1 563)</b>	–	<b>13 765</b>	<b>134 034</b>
Compensation of employees	73 812	–	–	(31)	(1 563)	–	(1 594)	72 218
Goods and services	46 457	–	–	15 359	–	–	15 359	61 816
<b>Transfers and subsidies</b>	<b>–</b>	–	–	<b>32</b>	–	–	<b>32</b>	<b>32</b>
Provinces and municipalities	–	–	–	1	–	–	1	1
Households	–	–	–	31	–	–	31	31
<b>Payments for capital assets</b>	<b>14 046</b>	–	–	<b>(7 060)</b>	–	–	<b>(7 060)</b>	<b>6 986</b>
Buildings and other fixed structures	8 117	–	–	(8 000)	–	–	(8 000)	117
Machinery and equipment	5 929	–	–	940	–	–	940	6 869
<b>Total</b>	<b>134 315</b>	–	–	<b>8 300</b>	<b>(1 563)</b>	–	<b>6 737</b>	<b>141 052</b>

**Programme 2: Outcomes Monitoring and Evaluation**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for Outcomes Monitoring and Evaluation	2 818	–	–	(400)	(1 200)	–	(1 600)	1 218
Outcomes Support	75 129	–	–	2 600	(11 663)	–	(9 063)	66 066
Evaluation and Research	30 907	–	–	(5 000)	(1 440)	–	(6 440)	24 467
<b>Total</b>	<b>108 854</b>	–	–	<b>(2 800)</b>	<b>(14 303)</b>	–	<b>(17 103)</b>	<b>91 751</b>
<b>Economic classification</b>	<b>108 076</b>	–	–	<b>(3 314)</b>	<b>(14 303)</b>	–	<b>(17 617)</b>	<b>90 459</b>
Compensation of employees	80 868	–	–	(14)	(14 303)	–	(14 317)	66 551
Goods and services	27 208	–	–	(3 300)	–	–	(3 300)	23 908
<b>Transfers and subsidies</b>	<b>–</b>	–	–	<b>14</b>	–	–	<b>14</b>	<b>14</b>
Households	–	–	–	14	–	–	14	14
<b>Payments for capital assets</b>	<b>778</b>	–	–	<b>500</b>	–	–	<b>500</b>	<b>1 278</b>
Machinery and equipment	178	–	–	–	–	–	–	178
Software and other intangible assets	600	–	–	500	–	–	500	1 100
<b>Total</b>	<b>108 854</b>	–	–	<b>(2 800)</b>	<b>(14 303)</b>	–	<b>(17 103)</b>	<b>91 751</b>

**Programme 3: Institutional Performance Monitoring and Evaluation**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for Institutional Performance Monitoring and Evaluation	2 525	–	–	470	–	–	470	2 995
Management Performance Monitoring and Support	14 162	–	–	(120)	(2 531)	–	(2 651)	11 511
Presidential Frontline Service Delivery Performance Monitoring and Support	44 399	–	–	(350)	(3 011)	–	(3 361)	41 038
Macro Monitoring and Evaluation Policy and Capacity Building	6 753	–	–	–	(342)	–	(342)	6 411
<b>Total</b>	<b>67 839</b>	–	–	–	<b>(5 884)</b>	–	<b>(5 884)</b>	<b>61 955</b>

**Programme 3: Institutional Performance Monitoring and Evaluation (continued)**

Economic classification		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>67 459</b>	-	-	(60)	(5 884)	-	(5 944)	<b>61 515</b>
Compensation of employees	47 845	-	-	(10)	(5 884)	-	(5 894)	41 951
Goods and services	19 614	-	-	(50)	-	-	(50)	19 564
<b>Transfers and subsidies</b>	<b>-</b>	-	-	10	-	-	10	<b>10</b>
Households	-	-	-	10	-	-	10	10
<b>Payments for capital assets</b>	<b>380</b>	-	-	50	-	-	50	<b>430</b>
Machinery and equipment	130	-	-	-	-	-	-	130
Software and other intangible assets	250	-	-	50	-	-	50	300
<b>Total</b>	<b>67 839</b>	-	-	-	(5 884)	-	(5 884)	<b>61 955</b>

**Programme 4: National Planning**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for National Planning	19 180	-	-	-	(461)	-	(461)	18 719
Research and Policy Services	70 580	-	-	(5 000)	(1 440)	-	(6 440)	64 140
Government Performance Information	13 477	-	-	-	(4 828)	-	(4 828)	8 649
<b>Total</b>	<b>103 237</b>	-	-	(5 000)	(6 729)	-	(11 729)	<b>91 508</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>103 137</b>	-	-	(5 100)	(6 729)	-	(11 829)	<b>91 308</b>
Compensation of employees	39 772	-	-	-	(6 729)	-	(6 729)	33 043
Goods and services	63 365	-	-	(5 100)	-	-	(5 100)	58 265
<b>Transfers and subsidies</b>	<b>-</b>	-	-	100	-	-	100	<b>100</b>
Non-profit institutions	-	-	-	100	-	-	100	100
<b>Payments for capital assets</b>	<b>100</b>	-	-	-	-	-	-	<b>100</b>
Machinery and equipment	100	-	-	-	-	-	-	100
<b>Total</b>	<b>103 237</b>	-	-	(5 000)	(6 729)	-	(11 729)	<b>91 508</b>

**Programme 5: National Youth Development**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Youth Development	7 651	-	-	(500)	(1 521)	-	(2 021)	5 630
National Youth Development Agency	405 766	-	-	-	-	-	-	405 766
<b>Total</b>	<b>413 417</b>	-	-	(500)	(1 521)	-	(2 021)	<b>411 396</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>7 621</b>	-	-	(500)	(1 521)	-	(2 021)	<b>5 600</b>
Compensation of employees	4 253	-	-	-	(1 521)	-	(1 521)	2 732
Goods and services	3 368	-	-	(500)	-	-	(500)	2 868
<b>Transfers and subsidies</b>	<b>405 766</b>	-	-	-	-	-	-	<b>405 766</b>
Departmental agencies and accounts	405 766	-	-	-	-	-	-	405 766
<b>Payments for capital assets</b>	<b>30</b>	-	-	-	-	-	-	<b>30</b>
Machinery and equipment	30	-	-	-	-	-	-	30
<b>Total</b>	<b>413 417</b>	-	-	(500)	(1 521)	-	(2 021)	<b>411 396</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(9 062)</b>	<b>Programme 1</b>		<b>1 000</b>
Machinery and equipment	Lower than anticipated expenditure on building refurbishment due to delays in procurement <sup>2</sup>	(1 000)	Goods and services	IT system upgrades	1 000
	Lower than anticipated expenditure on photocopying machines <sup>2</sup>	(30)	<b>Programme 3</b>		<b>30</b>
			Software and other intangible assets	IT system upgrades	30
Buildings and other fixed structures	Lower than anticipated expenditure on building refurbishment due to delays in procurement <sup>2</sup>	(3 110)	<b>Programme 1</b>		<b>5 080</b>
	Lower than anticipated expenditure on building refurbishment due to delays in procurement	(1 970)	Goods and services	IT system upgrades	3 110
				Travel and communications	
			Machinery and equipment	Furniture and office equipment for the new building	1 970
				Purchase of official vehicle for the deputy minister	
			<b>Programme 2</b>		<b>2 600</b>
	Lower than anticipated expenditure on building refurbishment due to delays in procurement <sup>2</sup>	(2 100)	Goods and services	Travel, and business and advisory services	2 100
	Lower than anticipated expenditure on building refurbishment due to delays in procurement	(500)	Software and other intangible assets	IT system upgrades	500
			<b>Programme 3</b>		<b>320</b>
	Lower than anticipated expenditure on building refurbishment due to delays in procurement <sup>2</sup>	(300)	Goods and services	Travel for frontline and service delivery monitoring trips	300
	Lower than anticipated expenditure on building refurbishment due to delays in procurement	(20)	Software and other intangible assets	IT system upgrades	20
Compensation of employees	Vacant posts <sup>1</sup>	(31)	<b>Programme 1</b>		<b>32</b>
			Households	Leave gratuities	31
Goods and services	Reduced spending on travel and subsistence	(1)	Provinces and municipalities	Vehicle licences	1
Shifts within the programme as a percentage of the programme budget		4.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.2%</b>			
<b>Programme 2</b>		<b>(5 414)</b>	<b>Programme 2</b>		<b>14</b>
Compensation of employees	Vacant posts <sup>1</sup>	(14)	Households	Leave gratuities	14
			<b>Programme 1</b>		<b>5 400</b>
Goods and services	Reduced spending on consultants	(5 400)	Goods and services	New computer server and ICT software	5 400
				Operating leases, property payments, advertising and job evaluations due to the revised organisational structure	
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>5.0%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(360)</b>	<b>Programme 3</b>		<b>10</b>
Compensation of employees	Vacant posts <sup>1</sup>	(10)	Households	Leave gratuities	10
Goods and services	Reduced spending on computer services	(350)	<b>Programme 1</b>		<b>350</b>
			Goods and services	Building leases, property payments, advertising and job evaluations due to the revised organisational structure	350
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.5%</b>			
<b>Programme 4</b>		<b>(5 100)</b>	<b>Programme 1</b>		<b>5 000</b>
Goods and services	Reduced spending on business and advisory consultants	(5 000)	Goods and services	Building leases, property payments advertising and job evaluation linked to the revised organisational structure	5 000
				Communication services due to changes in the communication strategy of the National Development Plan	
	Reduced spending on business and advisory consultants	(100)	<b>Programme 4</b>		<b>100</b>
			Non-profit institutions	Donation to the South African Planning Institute <sup>1</sup>	100
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>4.8%</b>			
<b>Programme 5</b>		<b>(500)</b>	<b>Programme 1</b>		<b>500</b>
Goods and services	Reduced spending on membership contributions and subscriptions to the Commonwealth Youth Programme	(500)	Goods and services	Communications unit	500
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Total</b>		<b>(20 436)</b>			<b>20 436</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (Act 1 of 1999).

## Declared unspent funds – R30 million

R30 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled owing to delays in implementing the revised organisational structure.

Programme 1: Administration

R1.563 million

Programme 2: Outcomes, Monitoring and Evaluation

R14.303 million

Programme 3: Institutional Performance Monitoring and Evaluation

R5.884 million

Programme 4: National Planning

R6.729 million

Programme 5: National Youth Development

R1.521 million

## Gifts, donations and sponsorships – R100 000

The department made a donation of R100 000 to the South African Planning Institute as a contribution towards the hosting of the 7th Planning Africa Conference.

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	adjusted % of	Apr 15 - Mar 16	adjusted % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	adjusted % of
R thousand									
Administration	104 185	31 787	30.5	111 872	107.4	141 052	17.7	59 177	42.0
Outcomes Monitoring and Evaluation	92 324	36 068	39.1	89 560	97.0	91 751	11.5	41 561	45.3
Institutional Performance Monitoring and Evaluation	60 431	27 555	45.6	60 626	100.3	61 955	7.8	30 389	49.1
National Planning	82 197	40 610	49.4	70 736	86.1	91 508	11.5	59 114	64.6
National Youth Development	415 063	216 614	52.2	415 983	100.2	411 396	51.6	243 709	59.2
<b>Total</b>	<b>754 200</b>	<b>352 634</b>	<b>46.8</b>	<b>748 777</b>	<b>99.3</b>	<b>797 662</b>	<b>100.0</b>	<b>433 950</b>	<b>54.4</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>340 861</b>	<b>136 056</b>	<b>39.9</b>	<b>324 964</b>	<b>95.3</b>	<b>382 916</b>	<b>48.0</b>	<b>191 121</b>	<b>49.9</b>
Compensation of employees	192 264	77 236	40.2	176 910	92.0	216 495	27.1	99 586	46.0
Goods and services	148 597	58 820	39.6	148 054	99.6	166 421	20.9	91 535	55.0
<b>Transfers and subsidies</b>	<b>409 930</b>	<b>215 569</b>	<b>52.6</b>	<b>410 062</b>	<b>100.0</b>	<b>405 922</b>	<b>50.9</b>	<b>240 165</b>	<b>59.2</b>
Provinces and municipalities	6	2	33.3	2	33.3	1	-	-	-
Departmental agencies and accounts	409 789	215 429	52.6	409 789	100.0	405 766	50.9	240 000	59.1
Non-profit institutions	-	-	-	-	-	100	-	100	100.0
Households	135	138	102.2	271	200.7	55	-	65	118.2
<b>Payments for capital assets</b>	<b>3 409</b>	<b>1 009</b>	<b>29.6</b>	<b>13 751</b>	<b>403.4</b>	<b>8 824</b>	<b>1.1</b>	<b>2 663</b>	<b>30.2</b>
Buildings and other fixed structures	-	395	-	435	-	117	-	-	-
Machinery and equipment	2 909	614	21.1	11 892	408.8	7 307	0.9	2 338	32.0
Software and other intangible assets	500	-	-	1 424	284.8	1 400	0.2	325	23.2
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>
<b>Total</b>	<b>754 200</b>	<b>352 634</b>	<b>46.8</b>	<b>748 777</b>	<b>99.3</b>	<b>797 662</b>	<b>100.0</b>	<b>433 950</b>	<b>54.4</b>

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 99.3 per cent of the 2015/16 adjusted appropriations. Expenditure in the first six months of 2016/17 was R434 million, or 54.4 per cent of the adjusted appropriation of R797.7 million for the year. In comparison, mid-year expenditure in 2015/16 was R352.6 million, or 46.8 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R81.3 million, or 23.1 per cent. This was mainly due to the increase in transfers to the National Youth Development Agency to support the agency's operational plans and transfer of the ministerial function in 2015/16 from The Presidency to the Department of Planning, Monitoring and Evaluation.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>266</b>	<b>189</b>	<b>71.1</b>	<b>417</b>	<b>156.8</b>	<b>143</b>	<b>602</b>	<b>100.0</b>	<b>426</b>	<b>70.8</b>
Sales of goods and services produced by department	72	34	47.2	88	122.2	77	88	14.6	40	45.5
Interest, dividends and rent on land	6	3	50.0	42	700.0	6	40	6.6	17	42.5
Sales of capital assets	-	-	-	16	-	-	30	5.0	16	53.3
Transactions in financial assets and liabilities	188	152	80.9	271	144.1	60	444	73.8	353	79.5
<b>Total</b>	<b>266</b>	<b>189</b>	<b>71.1</b>	<b>417</b>	<b>156.8</b>	<b>143</b>	<b>602</b>	<b>100.0</b>	<b>426</b>	<b>70.8</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R426 000, or 70.8 per cent of the adjusted revenue estimates of R602 000 for the year. In comparison, mid-year revenue in 2015/16 was R189 000, or 71.1 per cent of the adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R237 000 or 125.4 per cent. This was mainly due to the recovery of the past years' travel expenses.

## Changes to transfers and subsidies

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

R thousand	Main appropriation	2016/17						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Adjustments appropriation		
<b>Administration</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	-	-	-	1	-	-	1	1	
Municipal services	-	-	-	1	-	-	1	1	
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	31	-	-	31	31	
Employee social benefits	-	-	-	31	-	-	31	31	
<b>Outcomes Monitoring and Evaluation</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	14	-	-	14	14	
Employee social benefits	-	-	-	14	-	-	14	14	
<b>Institutional Performance</b>									
<b>Monitoring and Evaluation</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	10	-	-	10	10	
Employee social benefits	-	-	-	10	-	-	10	10	
<b>National Planning</b>									
<b>Non-profit institutions</b>									
<b>Current</b>	-	-	-	100	-	-	100	100	
South African Planning Institute	-	-	-	100	-	-	100	100	

# Vote 9

## Public Enterprises

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>273 976</b>	<b>267 976</b>	<b>(6 000)</b>	<b>-</b>
<b>of which:</b>				
Current payments	270 147	263 935	(6 212)	-
Transfers and subsidies	111	323	-	212
Payments for capital assets	3 718	3 718	-	-
Executive authority	Minister of Public Enterprises			
Accounting officer	Director-General of Public Enterprises			
Website address	www.dpe.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of shareholder compacts signed per year	Portfolio Management and Strategic Partnerships	Outcome 6: An efficient, competitive and responsive economic infrastructure network	6	5	-
Number of corporate plans reviewed per year	Portfolio Management and Strategic Partnerships		6	6	-
Number of quarterly financial reviews per year	Portfolio Management and Strategic Partnerships		24	11	-

### Mid-year progress

In the first six months of 2016/17, the department signed 5 shareholder compacts and reviewed 6 corporate plans of the state owned companies. These targets are achieved in the first half of the financial year, with increased monitoring of the implementation of these plans taking place in the second half.

### Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Administration	157 992	-	-	-	(1 000)	(1 200)	(2 200)	155 792
Legal and Governance	26 007	-	-	-	(1 000)	899	(101)	25 906
Portfolio Management and Strategic Partnerships	89 977	-	-	-	(4 000)	301	(3 699)	86 278
<b>Total</b>	<b>273 976</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 000)</b>	<b>-</b>	<b>(6 000)</b>	<b>267 976</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>270 147</b>	<b>-</b>	<b>-</b>	<b>(212)</b>	<b>(6 000)</b>	<b>-</b>	<b>(6 212)</b>	<b>263 935</b>
Compensation of employees	168 361	-	-	(211)	(6 000)	-	(6 211)	162 150
Goods and services	101 786	-	-	(1)	-	-	(1)	101 785
<b>Transfers and subsidies</b>	<b>111</b>	<b>-</b>	<b>-</b>	<b>212</b>	<b>-</b>	<b>-</b>	<b>212</b>	<b>323</b>
Provinces and municipalities	-	-	-	1	-	-	1	1
Households	111	-	-	211	-	-	211	322
<b>Payments for capital assets</b>	<b>3 718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 718</b>
Machinery and equipment	3 614	-	-	(10)	-	-	(10)	3 604
Software and other intangible assets	104	-	-	10	-	-	10	114
<b>Total</b>	<b>273 976</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 000)</b>	<b>-</b>	<b>(6 000)</b>	<b>267 976</b>

**Programme 1: Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	34 478	-	-	(6 700)	-	-	(6 700)	27 778
Management	12 867	-	-	(737)	(500)	(301)	(1 538)	11 329
Corporate Services	31 509	-	-	4 001	(500)	-	3 501	35 010
Chief Financial Officer	13 363	-	-	3 602	-	-	3 602	16 965
Human Resources	23 854	-	-	-	-	-	-	23 854
Communications	13 946	-	-	2 058	-	-	2 058	16 004
Strategic Planning, Monitoring and Evaluation	6 638	-	-	(1 038)	-	(899)	(1 937)	4 701
Intergovernmental Relations	6 975	-	-	(1 856)	-	-	(1 856)	5 119
Internal Audit	5 392	-	-	670	-	-	670	6 062
Office Accommodation	8 970	-	-	-	-	-	-	8 970
<b>Total</b>	<b>157 992</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 000)</b>	<b>(1 200)</b>	<b>(2 200)</b>	<b>155 792</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>154 163</b>	<b>-</b>	<b>-</b>	<b>(123)</b>	<b>(1 000)</b>	<b>(1 200)</b>	<b>(2 323)</b>	<b>151 840</b>
Compensation of employees	82 151	-	-	(122)	(1 000)	(1 200)	(2 322)	79 829
Goods and services	72 012	-	-	(1)	-	-	(1)	72 011
<b>Transfers and subsidies</b>	<b>111</b>	<b>-</b>	<b>-</b>	<b>123</b>	<b>-</b>	<b>-</b>	<b>123</b>	<b>234</b>
Provinces and municipalities	-	-	-	1	-	-	1	1
Households	111	-	-	122	-	-	122	233
<b>Payments for capital assets</b>	<b>3 718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 718</b>
Machinery and equipment	3 614	-	-	(10)	-	-	(10)	3 604
Software and other intangible assets	104	-	-	10	-	-	10	114
<b>Total</b>	<b>157 992</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 000)</b>	<b>(1 200)</b>	<b>(2 200)</b>	<b>155 792</b>

**Programme 2: Legal and Governance**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Management	3 157	-	-	10	-	-	10	3 167
Legal	14 222	-	-	(131)	(1 000)	-	(1 131)	13 091
Governance	8 628	-	-	121	-	899	1 020	9 648
<b>Total</b>	<b>26 007</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 000)</b>	<b>899</b>	<b>(101)</b>	<b>25 906</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>26 007</b>	<b>-</b>	<b>-</b>	<b>(62)</b>	<b>(1 000)</b>	<b>899</b>	<b>(163)</b>	<b>25 844</b>
Compensation of employees	20 258	-	-	(62)	(1 000)	899	(163)	20 095
Goods and services	5 749	-	-	-	-	-	-	5 749
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62</b>	<b>-</b>	<b>-</b>	<b>62</b>	<b>62</b>
Households	-	-	-	62	-	-	62	62
<b>Total</b>	<b>26 007</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 000)</b>	<b>899</b>	<b>(101)</b>	<b>25 906</b>

**Programme 3: Portfolio Management and Strategic Partnerships**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Energy Enterprises	18 016	-	-	-	(1 000)	-	(1 000)	17 016
Manufacturing Enterprises	20 682	-	-	-	(1 000)	-	(1 000)	19 682
Transport Enterprises	25 018	-	-	-	(2 000)	-	(2 000)	23 018
Economic Impact and Policy Alignment	13 580	-	-	-	-	-	-	13 580
Strategic Partnerships	12 681	-	-	-	-	301	301	12 982
<b>Total</b>	<b>89 977</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 000)</b>	<b>301</b>	<b>(3 699)</b>	<b>86 278</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>89 977</b>	<b>-</b>	<b>-</b>	<b>(27)</b>	<b>(4 000)</b>	<b>301</b>	<b>(3 726)</b>	<b>86 251</b>
Compensation of employees	65 952	-	-	(27)	(4 000)	301	(3 726)	62 226
Goods and services	24 025	-	-	-	-	-	-	24 025
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>27</b>
Households	-	-	-	27	-	-	27	27
<b>Total</b>	<b>89 977</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 000)</b>	<b>301</b>	<b>(3 699)</b>	<b>86 278</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

Programmes					
1. Administration					
2. Legal and Governance					
3. Portfolio Management and Strategic Partnerships					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(133)</b>	<b>Programme 1</b>		<b>133</b>
Compensation of employees	Leave gratuities <sup>1</sup>	(122)	Households	Leave gratuities	122
Machinery and equipment	Cost containment measures effected on vehicle purchases	(10)	Software and other intangible assets	IT software	10
Goods and services	Cost containment measures effected on travel and subsistence	(1)	Provinces and municipalities	Traffic fine	1
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(62)</b>	<b>Programme 2</b>		<b>62</b>
Compensation of employees	Leave gratuities <sup>1</sup>	(62)	Households	Leave gratuities	62
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>			
<b>Programme 3</b>		<b>(27)</b>	<b>Programme 3</b>		<b>27</b>
Compensation of employees	Leave gratuities <sup>1</sup>	(27)	Households	Leave gratuities	27
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(222)</b>			<b>222</b>

1. National Treasury approval has been obtained.

### Declared unspent funds – R6 million

R6 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

Programme 1: Administration

R1 million

Programme 2: Legal and Governance

R1 million

Programme 3: Portfolio Management and Strategic Partnerships

R4 million

### Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	adjusted % of	Apr 15 - Mar 16	adjusted % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	adjusted % of	
R thousand										
Administration	161 874	62 470	38.6	145 760	90.0	156 792	57.2	72 535	46.3	
Legal and Governance	23 509	9 355	39.8	19 730	83.9	26 906	9.8	9 888	36.8	
Portfolio Management and Strategic Partnerships	23 117 211	10 028 359	43.4	23 094 185	99.9	90 278	33.0	35 403	39.2	
<b>Total</b>	<b>23 302 594</b>	<b>10 100 184</b>	<b>43.3</b>	<b>23 259 675</b>	<b>99.8</b>	<b>273 976</b>	<b>100.0</b>	<b>117 826</b>	<b>43.0</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>259 814</b>	<b>97 258</b>	<b>37.4</b>	<b>217 838</b>	<b>83.8</b>	<b>269 935</b>	<b>98.5</b>	<b>115 142</b>	<b>42.7</b>	
Compensation of employees	152 020	68 490	45.1	139 977	92.1	168 150	61.4	74 212	44.1	
Goods and services	107 794	28 768	26.7	77 861	72.2	101 785	37.2	40 930	40.2	

2016 Adjusted Estimates of National Expenditure

Economic classification	2015/16					2016/17			
	Adjusted appropriation	Audited outcome		Apr 15 - Mar 16		Adjusted appropriation	Adjusted appropriation/Total (%)	Actual expenditure	
Apr 15 - Sep 15		Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Apr 16 - Sep 16			Apr 16 - Sep 16 % of adjusted appropriation	
R thousand									
<b>Transfers and subsidies</b>	<b>35 486</b>	<b>1 811</b>	<b>5.1</b>	<b>35 476</b>	<b>100.0</b>	<b>323</b>	<b>0.1</b>	<b>318</b>	<b>98.5</b>
Provinces and municipalities	–	–	–	–	–	1	–	4	400.0
Public corporations and private enterprises	33 106	–	–	33 106	100.0	–	–	–	–
Households	2 380	1 811	76.1	2 370	99.6	322	0.1	314	97.5
<b>Payments for capital assets</b>	<b>7 274</b>	<b>1 115</b>	<b>15.3</b>	<b>6 341</b>	<b>87.2</b>	<b>3 718</b>	<b>1.4</b>	<b>2 366</b>	<b>63.6</b>
Machinery and equipment	6 662	1 115	16.7	5 731	86.0	3 604	1.3	2 256	62.6
Software and other intangible assets	612	–	–	610	99.7	114	–	110	96.5
<b>Payments for financial assets</b>	<b>23 000 020</b>	<b>10 000 000</b>	<b>43.5</b>	<b>23 000 020</b>	<b>100.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>23 302 594</b>	<b>10 100 184</b>	<b>43.3</b>	<b>23 259 675</b>	<b>99.8</b>	<b>273 976</b>	<b>100.0</b>	<b>117 826</b>	<b>43.0</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.8 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R117.8 million, or 43 per cent of the adjusted appropriation of R274 million for the year. In comparison, mid-year expenditure in 2015/16 was R10.1 billion, or 43.3 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R10 billion, or 98.8 per cent. This was mainly due to the provision of R10 billion as part of the Eskom special appropriation for the enhancement of electricity generation capacity and security of supply.

### Departmental receipts

Economic classification	2015/16					2016/17				
	Adjusted estimate	Audited outcome		Apr 15 - Mar 16		Budget estimate	Actual receipts		Apr 16 - Sep 16	
Apr 15 - Sep 15		Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Adjusted estimate		Adjusted receipts estimate/Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	
R thousand										
<b>Departmental receipts</b>	<b>1 161</b>	<b>167</b>	<b>14.4</b>	<b>3 377</b>	<b>290.9</b>	<b>109</b>	<b>1 083</b>	<b>100.0</b>	<b>40</b>	<b>3.7</b>
Sales of goods and services produced by department	366	36	9.8	72	19.7	54	288	26.6	37	12.8
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	5	–	–	–	–
Transfers received	244	–	–	–	–	–	244	22.5	–	–
Interest, dividends and rent on land	11	5	45.5	7	63.6	21	11	1.0	1	9.1
Sales of capital assets	300	98	32.7	187	62.3	–	300	27.7	–	–
Transactions in financial assets and liabilities	240	28	11.7	3 111	1 296.3	29	240	22.2	2	0.8
<b>Total</b>	<b>1 161</b>	<b>167</b>	<b>14.4</b>	<b>3 377</b>	<b>290.9</b>	<b>109</b>	<b>1 083</b>	<b>100.0</b>	<b>40</b>	<b>3.7</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R40 000, or 3.7 per cent of the adjusted revenue estimate of R1.1 million for the year. In comparison, mid-year revenue in 2015/16 was R167 000, or 14.4 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R127 000, or 76 per cent. This was mainly due to the non-sale of capital assets and transactions in financial assets and liabilities.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	-	-	-	1	-	-	1	1
Municipality bank account: fines and penalties	-	-	-	1	-	-	1	1
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	122	-	-	122	122
Employee social benefits	-	-	-	122	-	-	122	122
<b>Legal and Governance</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	62	-	-	62	62
Employee social benefits	-	-	-	62	-	-	62	62
<b>Portfolio Management and Strategic Partnerships</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	27	-	-	27	27
Employee social benefits	-	-	-	27	-	-	27	27



# Vote 10

## Public Service and Administration

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>770 380</b>	<b>779 846</b>	<b>-</b>	<b>9 466</b>
<i>of which:</i>				
Current payments	443 783	434 090	(9 693)	-
Transfers and subsidies	323 634	335 464	-	11 830
Payments for capital assets	2 963	10 288	-	7 325
Payments for financial assets	-	4	-	4
Executive authority	Minister of Public Service and Administration			
Accounting officer	Director-General of Public Service and Administration			
Website address	www.dpsa.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of selected departments in which the implementation of the productivity management framework is monitored per year	Policy Development, Research and Analysis	Outcome 12: An efficient, effective and development oriented public service	2	2	-
Number of reports on the monitoring of vacancy rate trends and turnaround times for filling vacant positions in the public service submitted to the Minister of Public Service and Administration per year	Labour Relations and Human Resource Management		2	1	-
Number of human resource development forum meetings held per year by the department to provide support to national and provincial departments with the appointment of youth into learnership, internship and artisan programmes in the public service	Labour Relations and Human Resource Management		10	3	-
Develop the e-enablement security guidelines for the public service	Government Chief Information Officer		Issue guidelines	Guidelines developed and awaiting approval	-
Number of service delivery improvement plans received per year from provincial and national departments with quality assessments rated as good	Service Delivery Support		78	29	-
Number of national workshops per year to support departments in preparing for the implementation of the directive on compulsory capacity development, mandatory training days and minimum entry requirements for senior management members in the public service	Governance of Public Administration		4	4	-

### Mid-year progress

The department is on track with some of its targets for the first six months of 2016/17. The e-enablement security guidelines were developed in 2015/16 and are in the process of being issued. The department

continues to monitor 2 selected departments on the implementation of the productivity management framework.

The department held only 3 of the annual target of 10 human resource development forum meetings to provide support to national and provincial departments with the appointment of youth into learnership, internship and artisan programmes in the public service. This was due to delays in finalising the human resource development strategic framework and the revised determination on internships, which informs the content of the forum meetings.

The department managed to conduct all 4 national workshops to support departments in preparing for the implementation of the directive on compulsory capacity development in 2015/16.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	215 654	-	-	8 830	(1 500)	-	7 330	222 984
Policy Development, Research and Analysis	32 126	-	-	(3 823)	-	-	(3 823)	28 303
Labour Relations and Human Resource Management	81 377	-	-	(3 913)	-	-	(3 913)	77 464
Government Chief Information Officer	20 885	-	-	(2 020)	-	-	(2 020)	18 865
Service Delivery Support	138 057	-	-	2 500	-	15 966	18 466	156 523
Governance of Public Administration	282 281	-	-	(1 574)	(5 000)	-	(6 574)	275 707
<b>Total</b>	<b>770 380</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 500)</b>	<b>15 966</b>	<b>9 466</b>	<b>779 846</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>443 783</b>	<b>-</b>	<b>-</b>	<b>(8 193)</b>	<b>(1 500)</b>	<b>-</b>	<b>(9 693)</b>	<b>434 090</b>
Compensation of employees	272 814	-	-	(845)	(1 500)	-	(2 345)	270 469
Goods and services	170 969	-	-	(7 348)	-	-	(7 348)	163 621
<b>Transfers and subsidies</b>	<b>323 634</b>	<b>-</b>	<b>-</b>	<b>864</b>	<b>(5 000)</b>	<b>15 966</b>	<b>11 830</b>	<b>335 464</b>
Provinces and municipalities	6	-	-	-	-	-	-	6
Departmental agencies and accounts	321 573	-	-	(121)	(5 000)	15 966	10 845	332 418
Foreign governments and international organisations	2 055	-	-	140	-	-	140	2 195
Households	-	-	-	845	-	-	845	845
<b>Payments for capital assets</b>	<b>2 963</b>	<b>-</b>	<b>-</b>	<b>7 325</b>	<b>-</b>	<b>-</b>	<b>7 325</b>	<b>10 288</b>
Machinery and equipment	2 963	-	-	7 325	-	-	7 325	10 288
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>4</b>
<b>Total</b>	<b>770 380</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 500)</b>	<b>15 966</b>	<b>9 466</b>	<b>779 846</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	41 248	-	-	2 201	(1 500)	-	701	41 949
Departmental Management	3 157	-	-	(4)	-	-	(4)	3 153
Corporate Services	76 441	-	-	3 993	-	-	3 993	80 434
Finance Administration	23 053	-	-	2 566	-	-	2 566	25 619
Internal Audit	5 144	-	-	(120)	-	-	(120)	5 024
Legal Services	5 012	-	-	225	-	-	225	5 237
International Relations	10 114	-	-	(31)	-	-	(31)	10 083
Office Accommodation	51 485	-	-	-	-	-	-	51 485
<b>Total</b>	<b>215 654</b>	<b>-</b>	<b>-</b>	<b>8 830</b>	<b>(1 500)</b>	<b>-</b>	<b>7 330</b>	<b>222 984</b>

**Programme 1: Administration (continued)**

Economic classification	2016/17							
	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>213 275</b>	-	-	<b>1 979</b>	<b>(1 500)</b>	-	<b>479</b>	<b>213 754</b>
Compensation of employees	112 158	-	-	(175)	(1 500)	-	(1 675)	110 483
Goods and services	101 117	-	-	2 154	-	-	2 154	103 271
<b>Transfers and subsidies</b>	<b>741</b>	-	-	<b>194</b>	-	-	<b>194</b>	<b>935</b>
Provinces and municipalities	6	-	-	-	-	-	-	6
Departmental agencies and accounts	145	-	-	(121)	-	-	(121)	24
Foreign governments and international organisations	590	-	-	140	-	-	140	730
Households	-	-	-	175	-	-	175	175
<b>Payments for capital assets</b>	<b>1 638</b>	-	-	<b>6 657</b>	-	-	<b>6 657</b>	<b>8 295</b>
Machinery and equipment	1 638	-	-	6 657	-	-	6 657	8 295
<b>Total</b>	<b>215 654</b>	-	-	<b>8 830</b>	<b>(1 500)</b>	-	<b>7 330</b>	<b>222 984</b>

**Programme 2: Policy Development, Research and Analysis**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management: Policy Development, Research and Analysis	2 636	-	-	(13)	-	-	(13)	2 623
Policy Oversight, Development and Knowledge Management	4 404	-	-	(72)	-	-	(72)	4 332
Macro Policy Modelling and Costing	1 384	-	-	(23)	-	-	(23)	1 361
Integrated Public Sector Reform	4 789	-	-	(2 900)	-	-	(2 900)	1 889
Transformation Policies and Programmes	4 594	-	-	(272)	-	-	(272)	4 322
Research and Analysis	4 009	-	-	(224)	-	-	(224)	3 785
Productivity and Efficiency Studies	5 849	-	-	(73)	-	-	(73)	5 776
Public Service Access Norms and Mechanisms	4 461	-	-	(246)	-	-	(246)	4 215
<b>Total</b>	<b>32 126</b>	-	-	<b>(3 823)</b>	-	-	<b>(3 823)</b>	<b>28 303</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>31 903</b>	-	-	<b>(3 824)</b>	-	-	<b>(3 824)</b>	<b>28 079</b>
Compensation of employees	22 520	-	-	(1)	-	-	(1)	22 519
Goods and services	9 383	-	-	(3 823)	-	-	(3 823)	5 560
<b>Transfers and subsidies</b>	-	-	-	<b>1</b>	-	-	<b>1</b>	<b>1</b>
Households	-	-	-	1	-	-	1	1
<b>Payments for capital assets</b>	<b>223</b>	-	-	-	-	-	-	<b>223</b>
Machinery and equipment	223	-	-	-	-	-	-	223
<b>Total</b>	<b>32 126</b>	-	-	<b>(3 823)</b>	-	-	<b>(3 823)</b>	<b>28 303</b>

**Programme 3: Labour Relations and Human Resource Management**

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Management: Labour Relations and Human Resource Management	3 860	-	-	(439)	-	-	(439)	3 421
Labour Relations, Negotiations and Discipline Management	9 583	-	-	(901)	-	-	(901)	8 682
Workplace Environment Management	5 474	-	-	(116)	-	-	(116)	5 358
Human Resource Development	4 822	-	-	(643)	-	-	(643)	4 179
Remuneration and Job Grading	28 691	-	-	(2 665)	-	-	(2 665)	26 026
Employee Benefits	16 779	-	-	1 160	-	-	1 160	17 939
Human Resource Planning, Employment Practices and Performance Management	12 168	-	-	(309)	-	-	(309)	11 859
<b>Total</b>	<b>81 377</b>	<b>-</b>	<b>-</b>	<b>(3 913)</b>	<b>-</b>	<b>-</b>	<b>(3 913)</b>	<b>77 464</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>80 949</b>	<b>-</b>	<b>-</b>	<b>(4 617)</b>	<b>-</b>	<b>-</b>	<b>(4 617)</b>	<b>76 332</b>
Compensation of employees	58 116	-	-	(536)	-	-	(536)	57 580
Goods and services	22 833	-	-	(4 081)	-	-	(4 081)	18 752
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>536</b>	<b>-</b>	<b>-</b>	<b>536</b>	<b>536</b>
Households	-	-	-	536	-	-	536	536
<b>Payments for capital assets</b>	<b>428</b>	<b>-</b>	<b>-</b>	<b>168</b>	<b>-</b>	<b>-</b>	<b>168</b>	<b>596</b>
Machinery and equipment	428	-	-	168	-	-	168	596
<b>Total</b>	<b>81 377</b>	<b>-</b>	<b>-</b>	<b>(3 913)</b>	<b>-</b>	<b>-</b>	<b>(3 913)</b>	<b>77 464</b>

**Programme 4: Government Chief Information Officer**

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Management: Government Chief Information Officer	2 903	-	-	(655)	-	-	(655)	2 248
Public Service ICT E-enablement	5 849	-	-	(606)	-	-	(606)	5 243
Public Service ICT Stakeholder Management	6 377	-	-	(303)	-	-	(303)	6 074
Public Service ICT Risk Management	4 466	-	-	(417)	-	-	(417)	4 049
Public Service ICT Service Management	1 290	-	-	(39)	-	-	(39)	1 251
<b>Total</b>	<b>20 885</b>	<b>-</b>	<b>-</b>	<b>(2 020)</b>	<b>-</b>	<b>-</b>	<b>(2 020)</b>	<b>18 865</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>20 734</b>	<b>-</b>	<b>-</b>	<b>(2 128)</b>	<b>-</b>	<b>-</b>	<b>(2 128)</b>	<b>18 606</b>
Compensation of employees	14 814	-	-	(108)	-	-	(108)	14 706
Goods and services	5 920	-	-	(2 020)	-	-	(2 020)	3 900
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108</b>	<b>-</b>	<b>-</b>	<b>108</b>	<b>108</b>
Households	-	-	-	108	-	-	108	108
<b>Payments for capital assets</b>	<b>151</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>151</b>
Machinery and equipment	151	-	-	-	-	-	-	151
<b>Total</b>	<b>20 885</b>	<b>-</b>	<b>-</b>	<b>(2 020)</b>	<b>-</b>	<b>-</b>	<b>(2 020)</b>	<b>18 865</b>

**Programme 5: Service Delivery Support**

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management: Service Delivery Support	4 001	-	-	(76)	-	-	(76)	3 925
Service Delivery Planning and Operations Management	3 324	-	-	50	-	-	50	3 374
Service Delivery Improvement Initiatives	15 517	-	-	(1 808)	-	-	(1 808)	13 709
Community Development and Citizen Relations	7 406	-	-	960	-	-	960	8 366
Public Participation and Social Dialogue	9 678	-	-	5 488	-	-	5 488	15 166
Batho Pele Support Initiatives	10 936	-	-	(2 114)	-	-	(2 114)	8 822
Centre for Public Service Innovation	32 094	-	-	-	-	-	-	32 094
National School of Government	55 101	-	-	-	-	15 966	15 966	71 067
<b>Total</b>	<b>138 057</b>	<b>-</b>	<b>-</b>	<b>2 500</b>	<b>-</b>	<b>15 966</b>	<b>18 466</b>	<b>156 523</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>49 350</b>	<b>-</b>	<b>-</b>	<b>2 016</b>	<b>-</b>	<b>-</b>	<b>2 016</b>	<b>51 366</b>
Compensation of employees	30 013	-	-	(24)	-	-	(24)	29 989
Goods and services	19 337	-	-	2 040	-	-	2 040	21 377
<b>Transfers and subsidies</b>	<b>88 440</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>15 966</b>	<b>15 990</b>	<b>104 430</b>
Departmental agencies and accounts	87 195	-	-	-	-	15 966	15 966	103 161
Foreign governments and international organisations	1 245	-	-	-	-	-	-	1 245
Households	-	-	-	24	-	-	24	24
<b>Payments for capital assets</b>	<b>267</b>	<b>-</b>	<b>-</b>	<b>460</b>	<b>-</b>	<b>-</b>	<b>460</b>	<b>727</b>
Machinery and equipment	267	-	-	460	-	-	460	727
<b>Total</b>	<b>138 057</b>	<b>-</b>	<b>-</b>	<b>2 500</b>	<b>-</b>	<b>15 966</b>	<b>18 466</b>	<b>156 523</b>

**Programme 6: Governance of Public Administration**

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management: Governance of Public Administration	3 835	-	-	-	-	-	-	3 835
Ethics and Integrity Management	12 368	-	-	-	-	-	-	12 368
Organisational Design and Macro Organisation of the Public Service	7 464	-	-	(67)	-	-	(67)	7 397
Office of Standards, Compliance and Monitoring	6 244	-	-	(848)	-	-	(848)	5 396
Intergovernmental Relations and Government Interventions	5 567	-	-	(338)	-	-	(338)	5 229
Leadership Management	6 351	-	-	(206)	-	-	(206)	6 145
Human Resource Management	6 219	-	-	(115)	-	-	(115)	6 104
Information Systems								
Public Service Commission	234 233	-	-	-	(5 000)	-	(5 000)	229 233
<b>Total</b>	<b>282 281</b>	<b>-</b>	<b>-</b>	<b>(1 574)</b>	<b>(5 000)</b>	<b>-</b>	<b>(6 574)</b>	<b>275 707</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>47 572</b>	<b>-</b>	<b>-</b>	<b>(1 619)</b>	<b>-</b>	<b>-</b>	<b>(1 619)</b>	<b>45 953</b>
Compensation of employees	35 193	-	-	(1)	-	-	(1)	35 192
Goods and services	12 379	-	-	(1 618)	-	-	(1 618)	10 761
<b>Transfers and subsidies</b>	<b>234 453</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(5 000)</b>	<b>-</b>	<b>(4 999)</b>	<b>229 454</b>
Departmental agencies and accounts	234 233	-	-	-	(5 000)	-	(5 000)	229 233
Foreign governments and international organisations	220	-	-	-	-	-	-	220
Households	-	-	-	1	-	-	1	1
<b>Payments for capital assets</b>	<b>256</b>	<b>-</b>	<b>-</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>40</b>	<b>296</b>
Machinery and equipment	256	-	-	40	-	-	40	296
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>4</b>
<b>Total</b>	<b>282 281</b>	<b>-</b>	<b>-</b>	<b>(1 574)</b>	<b>(5 000)</b>	<b>-</b>	<b>(6 574)</b>	<b>275 707</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

#### Programmes

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

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(2 602)</b>	<b>Programme 1</b>		<b>2 602</b>
Departmental agencies and accounts	Cost containment measures effected on transfers and subsidies for television licences	(121)	Goods and services	Operational costs in the ministry	121
Goods and services	Cost containment measures effected on travel and subsistence, consultants, and outsourced services	(2 166)	Machinery and equipment	Procurement of vehicles for the ministry	2 166
	Cost containment measures effected on outsourced services	(140)	Foreign governments and international organisations	Subscription fees to the African Association of Public Administration and Management <sup>1</sup>	140
Compensation of employees	Vacant posts <sup>1</sup>	(175)	Households	Leave gratuities	175
Shifts within the programme as a percentage of the programme budget		1.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(3 824)</b>	<b>Programme 1</b>		<b>3 823</b>
Goods and services	Cost containment measures effected on consultants	(643)	Goods and services	Computer services and audit costs	643
	Cost containment measures effected on consultants, catering, venues and facilities, and travel	(3 180)	Machinery and equipment	Office furniture and equipment for the department's new building	3 180
Compensation of employees	Vacant posts <sup>1</sup>	(1)	<b>Programme 2</b>		<b>1</b>
Shifts within the programme as a percentage of the programme budget		0.0%	Households	Leave gratuities	1
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>11.9%</b> <sup>2</sup>			
<b>Programme 3</b>		<b>(4 617)</b>	<b>Programme 1</b>		<b>3 123</b>
Goods and services	Cost containment measures effected on consultants, and travel and subsistence	(3 115)	Goods and services	Relocation costs	3 115
	Cost containment measures effected on catering	(8)	Machinery and equipment	Office furniture and equipment for the department's new building	8
	Cost containment measures effected on catering	(168)	<b>Programme 3</b>		<b>168</b>
	Cost containment measures effected on venues and facilities, and administrative costs	(790)	Machinery and equipment	Capital requirements for the Presidential Remuneration Review Commission	168
			<b>Programme 5</b>		<b>790</b>
			Goods and services	Provision for a shortfall in subscription fees for the Open Government Partnership, due to currency fluctuations <sup>1</sup>	790
Compensation of employees	Vacant posts <sup>1</sup>	(536)	<b>Programme 3</b>		<b>536</b>
Shifts within the programme as a percentage of the programme budget		0.9%	Households	Leave gratuities	536
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>4.8%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(2 128)</b>	<b>Programme 1</b>		<b>1 030</b>
Goods and services	Savings on fleet services, advertising, minor assets, and administrative costs	(581)	Goods and services	Relocation costs	581
	Cost containment measures effected on consultants, and venues and facilities	(449)	Machinery and equipment	Office furniture and equipment for the department's new building	449
	Cost containment measures effected on travel and subsistence, and venues and facilities	(990)	<b>Programme 5</b>		<b>990</b>
Compensation of employees	Vacant posts <sup>1</sup>	(108)	Goods and services	Travel and subsistence for activities related to the Open Government Partnership	990
Shifts within the programme as a percentage of the programme budget		0.5%	<b>Programme 4</b>		<b>108</b>
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>9.7%<sup>2</sup></b>	Households	Leave gratuities	108
<b>Programme 5</b>		<b>(484)</b>	<b>Programme 5</b>		<b>484</b>
Goods and services	Cost containment measures effected on advertising	(460)	Machinery and equipment	Desktop and laptop computers	460
Compensation of employees	Vacant posts <sup>1</sup>	(24)	Households	Leave gratuities	24
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 6</b>		<b>(1 619)</b>	<b>Programme 1</b>		<b>854</b>
Goods and services	Cost containment measures effected on travel and subsistence, and venues and facilities	(854)	Machinery and equipment	Office furniture and equipment for the department's new building	854
	Cost containment measures effected on venues and facilities, outsourced services, training and development, and fleet services	(720)	<b>Programme 5</b>		<b>720</b>
	Cost containment measures effected on advertising	(40)	Goods and services	Travel and subsistence, and venues and facilities for activities related to the Open Government Partnership	720
	Cost containment measures effected on rentals and hiring	(4)	<b>Programme 6</b>		<b>45</b>
Compensation of employees	Vacant posts <sup>1</sup>	(1)	Machinery and equipment	Office furniture and equipment	40
Shifts within the programme as a percentage of the programme budget		0.0%	Payments for financial assets	Offsetting of payment for financial assets for thefts and losses	4
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.6%</b>	Households	Leave gratuities	1
<b>Total</b>		<b>(15 274)</b>			<b>15 274</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Declared unspent funds – R6.500 million

R6.500 million in unspent funds has been declared due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

Programme 1: Administration

R1.500 million

Programme 6: Governance of Public Administration

R5 million on transfers to the Public Service Commission

**Other adjustments – R15.966 million****Funds shifted between votes – R15.966 million**

## Programme 5: Service Delivery Support

R15.966 million has been transferred to the Department of Public Service and Administration for the operations of the National School of Government.

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16					2016/17				
	Adjusted appropriation	Audited outcome		Apr 15 - Mar 16 % of adjusted appropriation	Apr 15 - Sep 15 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure		Apr 16 - Sep 16 % of adjusted appropriation
Apr 15 - Sep 15		Apr 15 - Mar 16	Apr 16 - Sep 16					Apr 16 - Sep 16		
R thousand										
Administration	221 441	84 184	38.0	215 765	97.4	222 984	28.6	123 401	55.3	
Policy Development, Research and Analysis	38 606	14 710	38.1	32 325	83.7	28 303	3.6	14 779	52.2	
Labour Relations and Human Resource Management	73 607	30 508	41.4	67 552	91.8	77 464	9.9	31 607	40.8	
Government Chief Information Officer	21 493	8 934	41.6	20 208	94.0	18 865	2.4	7 838	41.5	
Service Delivery Support	219 621	103 369	47.1	231 161	105.3	156 523	20.1	72 884	46.6	
Governance of Public Administration	272 871	128 988	47.3	273 938	100.4	275 707	35.4	144 823	52.5	
<b>Total</b>	<b>847 639</b>	<b>370 693</b>	<b>43.7</b>	<b>840 949</b>	<b>99.2</b>	<b>779 846</b>	<b>100.0</b>	<b>395 332</b>	<b>50.7</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>444 120</b>	<b>176 784</b>	<b>39.8</b>	<b>429 899</b>	<b>96.8</b>	<b>434 090</b>	<b>55.7</b>	<b>220 827</b>	<b>50.9</b>	
Compensation of employees	276 017	116 645	42.3	242 534	87.9	270 469	34.7	126 772	46.9	
Goods and services	168 103	60 139	35.8	187 365	111.5	163 621	21.0	94 055	57.5	
<b>Transfers and subsidies</b>	<b>400 212</b>	<b>190 757</b>	<b>47.7</b>	<b>404 254</b>	<b>101.0</b>	<b>335 464</b>	<b>43.0</b>	<b>166 839</b>	<b>49.7</b>	
Provinces and municipalities	7	2	28.6	4	57.1	6	–	–	–	
Departmental agencies and accounts	395 944	186 708	47.2	399 194	100.8	332 418	42.6	165 515	49.8	
Foreign governments and international organisations	2 076	1 759	84.7	1 852	89.2	2 195	0.3	348	15.9	
Households	2 185	2 288	104.7	3 204	146.6	845	0.1	976	115.5	
<b>Payments for capital assets</b>	<b>3 304</b>	<b>3 147</b>	<b>95.2</b>	<b>6 735</b>	<b>203.8</b>	<b>10 288</b>	<b>1.3</b>	<b>7 662</b>	<b>74.5</b>	
Machinery and equipment	3 099	3 147	101.5	6 735	217.3	10 288	1.3	7 662	74.5	
Software and other intangible assets	205	–	–	–	–	–	–	–	–	
<b>Payments for financial assets</b>	<b>3</b>	<b>5</b>	<b>166.7</b>	<b>61</b>	<b>2 033</b>	<b>4</b>	<b>–</b>	<b>4</b>	<b>100.0</b>	
<b>Total</b>	<b>847 639</b>	<b>370 693</b>	<b>43.7</b>	<b>840 949</b>	<b>99.2</b>	<b>779 846</b>	<b>100.0</b>	<b>395 332</b>	<b>50.7</b>	

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 99.2 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R395.3 million or 50.7 per cent of the adjusted appropriation of R779.8 million for the year. In comparison, mid-year expenditure for 2015/16 was R370.7 million, or 43.7 per cent of the adjusted appropriation. Compared to the first six months of 2015/16, total expenditure over the same period in 2016/17 increased by R24.6 million or 6.6 per cent. The increase is attributed to the department's relocation to a new building, increased accommodation costs because of the new building, as well as activities related to the Open Government Partnership and the public participation programmes (Izimbizo).

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>1 460</b>	<b>1 135</b>	<b>77.7</b>	<b>1 441</b>	<b>98.7</b>	<b>825</b>	<b>653</b>	<b>100.0</b>	<b>139</b>	<b>21.3</b>
Sales of goods and services produced by department	447	353	79.0	277	62.0	253	411	62.9	104	25.3
Interest, dividends and rent on land	4	2	50.0	4	100.0	5	2	0.3	1	50.0
Sales of capital assets	–	–	–	213	–	–	–	–	–	–
Transactions in financial assets and liabilities	1 009	780	77.3	947	93.9	567	240	36.8	34	14.2
<b>Total</b>	<b>1 460</b>	<b>1 135</b>	<b>77.7</b>	<b>1 441</b>	<b>98.7</b>	<b>825</b>	<b>653</b>	<b>100.0</b>	<b>139</b>	<b>21.3</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R139 000, or 21.3 per cent of the adjusted revenue estimate of R653 000 for the year. In comparison, mid-year revenue in 2015/16 was R1.1 million or 77.7 per cent of the 2015/16 adjusted estimates. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R996 000, or 87.8 per cent. The higher revenue in the first six months of 2015/16 was due to money recovered from double payments having been made on vehicle insurance.

## Changes to transfers and subsidies

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

R thousand	Main appropriation	2016/17 Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>145</b>	–	–	(121)	–	–	(121)	<b>24</b>	
Communication	145	–	–	(121)	–	–	(121)	24	
<b>Foreign governments and international organisations</b>									
<b>Current</b>	<b>160</b>	–	–	140	–	–	140	<b>300</b>	
African Association for Public Administration and Management	160	–	–	140	–	–	140	300	
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	–	–	–	175	–	–	175	<b>175</b>	
Employee social benefits	–	–	–	175	–	–	175	175	
<b>Policy Development, Research and Analysis</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	–	–	–	1	–	–	1	<b>1</b>	
Employee social benefits	–	–	–	1	–	–	1	1	
<b>Labour Relations and Human Resource Management</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	–	–	–	536	–	–	536	<b>536</b>	
Employee social benefits	–	–	–	434	–	–	434	434	
Employee social benefits	–	–	–	102	–	–	102	102	

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Government Chief Information Officer</b>								
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	-	-	-	108	-	-	108	108
Employee social benefits	-	-	-	108	-	-	108	108
<b>Service Delivery Support</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	55 101	-	-	-	-	15 966	15 966	71 067
National School of Government	55 101	-	-	-	-	15 966	15 966	71 067
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	-	-	-	24	-	-	24	24
Employee social benefits	-	-	-	24	-	-	24	24
<b>Governance of Public Administration</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	234 233	-	-	-	(5 000)	-	(5 000)	229 233
Public Service Commission	234 233	-	-	-	(5 000)	-	(5 000)	229 233
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	-	-	-	1	-	-	1	1
Employee social benefits	-	-	-	1	-	-	1	1

# Vote 11

## Public Works

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>6 528 765</b>	<b>6 512 799</b>	<b>(15 966)</b>	<b>-</b>
<b>of which:</b>				
Current payments	917 934	905 083	(12 851)	-
Transfers and subsidies	5 572 323	5 570 208	(2 115)	-
Payments for capital assets	38 508	37 508	(1 000)	-
Executive authority	Minister of Public Works			
Accounting officer	Director-General of Public Works			
Website address	www.publicworks.gov.za			

### Vote purpose

*Provide policy formulation for, as well as coordination, regulation and oversight of, the public works sector in relation to the accommodation, housing, land and infrastructure needs of national departments. Enhance intergovernmental relations by coordinating concurrent public works functions. Lead and direct the implementation of the national expanded public works programme. Promote growth, job creation and transformation in the construction and property industries.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
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 economic growth	1 343 154	276 397	-
Number of work opportunities per year created in rural municipalities through the expanded public works programme aligned with the phase 3 business plan	Expanded Public Works Programme		730 000	87 237	-
Number of municipalities reporting on expanded public works programme targets provided with technical support per year	Expanded Public Works Programme		250	212	-
Number of intergovernmental relations forums convened for the oversight of the public works sector per year	Intergovernmental Coordination	Outcome 12: An efficient, effective and development-oriented public service	12	5	-
Number of cooperation and protocol agreements for joint service delivery signed with provinces and municipalities per year	Intergovernmental Coordination		10	6	-
Public Works Bill developed	Property and Construction Industry Policy and Research		Public Works Bill gazetted for public comments	-	-
Norms and standards developed for the prestige accommodation portfolio	Prestige Policy	8 Prestige policies approved (new and reviewed)	2	-	

### Mid-year progress

276 397 work opportunities have been created thus far in 2016/17 against the target of 1 343 154. Only 87 237 work opportunities have been created by rural municipalities against a target of 730 000. The lag in performance in the expanded public works programme is attributed to delays by public bodies in capturing the data on the reporting system and the lack of capacity to collect all the required documentation for reporting, as well as the exclusion of a number of projects from the reporting process. The department has since identified the bodies that are underperforming. It intends to fast track the process of reporting on the

number of work opportunities created, by providing ongoing support using data capturing sessions, training and capacity building. Improvements in reporting will be monitored by using the weekly variance reports generated from the system, and will be communicated to all the reporting bodies. All public and reporting bodies with excluded projects have been encouraged to correct the projects on the reporting system.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	516 634	-	-	(628)	-	-	(628)	516 006
Intergovernmental Coordination	31 439	-	-	(2 800)	-	-	(2 800)	28 639
Expanded Public Works Programme	2 319 500	-	-	-	-	-	-	2 319 500
Property and Construction	3 565 100	-	-	3 428	-	(15 966)	(12 538)	3 552 562
Industry Policy and Research								
Prestige Policy	96 092	-	-	-	-	-	-	96 092
<b>Total</b>	<b>6 528 765</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15 966)</b>	<b>(15 966)</b>	<b>6 512 799</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>917 934</b>	<b>-</b>	<b>-</b>	<b>(12 851)</b>	<b>-</b>	<b>-</b>	<b>(12 851)</b>	<b>905 083</b>
Compensation of employees	470 825	-	-	1 000	-	-	1 000	471 825
Goods and services	447 109	-	-	(13 851)	-	-	(13 851)	433 258
<b>Transfers and subsidies</b>	<b>5 572 323</b>	<b>-</b>	<b>-</b>	<b>13 851</b>	<b>-</b>	<b>(15 966)</b>	<b>(2 115)</b>	<b>5 570 208</b>
Provinces and municipalities	1 425 668	-	-	-	-	-	-	1 425 668
Departmental agencies and accounts	3 510 958	-	-	12 383	-	(15 966)	(3 583)	3 507 375
Foreign governments and international organisations	24 806	-	-	3 428	-	-	3 428	28 234
Non-profit institutions	600 427	-	-	-	-	-	-	600 427
Households	10 464	-	-	(1 960)	-	-	(1 960)	8 504
<b>Payments for capital assets</b>	<b>38 508</b>	<b>-</b>	<b>-</b>	<b>(1 000)</b>	<b>-</b>	<b>-</b>	<b>(1 000)</b>	<b>37 508</b>
Machinery and equipment	38 508	-	-	(1 000)	-	-	(1 000)	37 508
<b>Total</b>	<b>6 528 765</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15 966)</b>	<b>(15 966)</b>	<b>6 512 799</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	31 155	-	-	-	-	-	-	31 155
Management	89 472	-	-	1 000	-	-	1 000	90 472
Corporate Services	274 875	-	-	840	-	-	840	275 715
Finance and Supply Chain Management	71 732	-	-	(2 468)	-	-	(2 468)	69 264
Office Accommodation	49 400	-	-	-	-	-	-	49 400
<b>Total</b>	<b>516 634</b>	<b>-</b>	<b>-</b>	<b>(628)</b>	<b>-</b>	<b>-</b>	<b>(628)</b>	<b>516 006</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>484 697</b>	<b>-</b>	<b>-</b>	<b>1 332</b>	<b>-</b>	<b>-</b>	<b>1 332</b>	<b>486 029</b>
Compensation of employees	251 447	-	-	2 800	-	-	2 800	254 247
Goods and services	233 250	-	-	(1 468)	-	-	(1 468)	231 782
<b>Transfers and subsidies</b>	<b>9 610</b>	<b>-</b>	<b>-</b>	<b>(1 960)</b>	<b>-</b>	<b>-</b>	<b>(1 960)</b>	<b>7 650</b>
Provinces and municipalities	6	-	-	-	-	-	-	6
Households	9 604	-	-	(1 960)	-	-	(1 960)	7 644
<b>Payments for capital assets</b>	<b>22 327</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22 327</b>
Machinery and equipment	22 327	-	-	-	-	-	-	22 327
<b>Total</b>	<b>516 634</b>	<b>-</b>	<b>-</b>	<b>(628)</b>	<b>-</b>	<b>-</b>	<b>(628)</b>	<b>516 006</b>

**Programme 2: Intergovernmental Coordination**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Monitoring, Evaluation and Reporting	16 803	–	–	(1 900)	–	–	(1 900)	14 903
Intergovernmental Relations and Coordination	14 636	–	–	(900)	–	–	(900)	13 736
<b>Total</b>	<b>31 439</b>	<b>–</b>	<b>–</b>	<b>(2 800)</b>	<b>–</b>	<b>–</b>	<b>(2 800)</b>	<b>28 639</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>28 139</b>	<b>–</b>	<b>–</b>	<b>(1 800)</b>	<b>–</b>	<b>–</b>	<b>(1 800)</b>	<b>26 339</b>
Compensation of employees	22 081	–	–	(1 800)	–	–	(1 800)	20 281
Goods and services	6 058	–	–	–	–	–	–	6 058
<b>Transfers and subsidies</b>	<b>300</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>300</b>
Households	300	–	–	–	–	–	–	300
<b>Payments for capital assets</b>	<b>3 000</b>	<b>–</b>	<b>–</b>	<b>(1 000)</b>	<b>–</b>	<b>–</b>	<b>(1 000)</b>	<b>2 000</b>
Machinery and equipment	3 000	–	–	(1 000)	–	–	(1 000)	2 000
<b>Total</b>	<b>31 439</b>	<b>–</b>	<b>–</b>	<b>(2 800)</b>	<b>–</b>	<b>–</b>	<b>(2 800)</b>	<b>28 639</b>

**Programme 3: Expanded Public Works Programme**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Expanded Public Works Programme: Monitoring and Evaluation	55 368	–	–	25 717	–	–	25 717	81 085
Expanded Public Works Programme: Infrastructure	1 143 132	–	–	23 090	–	–	23 090	1 166 222
Expanded Public Works Programme: Operations	995 950	–	–	12 429	–	–	12 429	1 008 379
Expanded Public Works Programme: Partnership Support	117 740	–	–	(61 236)	–	–	(61 236)	56 504
Expanded Public Works Programme: Public Employment Coordinating Commission	7 310	–	–	–	–	–	–	7 310
<b>Total</b>	<b>2 319 500</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 319 500</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>290 933</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>290 933</b>
Compensation of employees	154 748	–	–	–	–	–	–	154 748
Goods and services	136 185	–	–	–	–	–	–	136 185
<b>Transfers and subsidies</b>	<b>2 026 079</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 026 079</b>
Provinces and municipalities	1 425 662	–	–	–	–	–	–	1 425 662
Non-profit institutions	600 257	–	–	–	–	–	–	600 257
Households	160	–	–	–	–	–	–	160
<b>Payments for capital assets</b>	<b>2 488</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 488</b>
Machinery and equipment	2 488	–	–	–	–	–	–	2 488
<b>Total</b>	<b>2 319 500</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 319 500</b>

**Programme 4: Property and Construction Industry Policy and Research**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Construction Policy Development Programme	26 243	–	–	–	–	–	–	26 243
Property Policy Development Programme	12 665	–	–	–	–	–	–	12 665
Construction Industry Development Board	52 059	–	–	–	–	–	–	52 059
Council for the Built Environment	43 413	–	–	–	–	–	–	43 413
Construction Education and Training Authority	500	–	–	–	–	–	–	500
Property Management Trading Entity	3 405 414	–	–	–	–	(15 966)	(15 966)	3 389 448
Assistance to Organisations for the Preservation of National Memorials	24 806	–	–	3 428	–	–	3 428	28 234
<b>Total</b>	<b>3 565 100</b>	<b>–</b>	<b>–</b>	<b>3 428</b>	<b>–</b>	<b>(15 966)</b>	<b>(12 538)</b>	<b>3 552 562</b>

**Programme 4: Property and Construction Industry Policy and Research (continued)**

Economic classification	2016/17						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand							
<b>Current payments</b>	<b>38 419</b>	–	–	(12 383)	–	–	<b>26 036</b>
Compensation of employees	16 284	–	–	–	–	–	16 284
Goods and services	22 135	–	–	(12 383)	–	–	9 752
<b>Transfers and subsidies</b>	<b>3 526 562</b>	–	–	<b>15 811</b>	–	<b>(15 966)</b>	<b>3 526 407</b>
Departmental agencies and accounts	3 501 386	–	–	12 383	–	(15 966)	3 497 803
Foreign governments and international organisations	24 806	–	–	3 428	–	–	28 234
Non-profit institutions	170	–	–	–	–	–	170
Households	200	–	–	–	–	–	200
<b>Payments for capital assets</b>	<b>119</b>	–	–	–	–	–	<b>119</b>
Machinery and equipment	119	–	–	–	–	–	119
<b>Total</b>	<b>3 565 100</b>	–	–	<b>3 428</b>	–	<b>(15 966)</b>	<b>3 552 562</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

- Administration
- Intergovernmental Coordination
- Expanded Public Works Programme
- Property and Construction Industry Policy and Research
- Prestige Policy

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(3 428)</b>	<b>Programme 4</b>		<b>3 428</b>
Households	Lower than anticipated expenditure on leave gratuities	(1 960)	Foreign governments and international organisations	Commonwealth War Graves Commission, for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed <sup>1</sup>	1 960
Goods and services	Lower than anticipated expenditure on audit fees	(1 468)	Foreign governments and international organisations	Commonwealth War Graves Commission, for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed <sup>1</sup>	1 468
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.7%			
<b>Programme 2</b>		<b>(2 800)</b>	<b>Programme 1</b>		<b>2 800</b>
Machinery and equipment	Lower than anticipated expenditure on office furniture <sup>1</sup>	(1 000)	Compensation of employees	Senior management services' pay progression and performance bonus <sup>1</sup>	1 000
Compensation of employees	Vacant posts	(1 800)	Compensation of employees	Increases in personnel remuneration due to inflation	1 800
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		8.9% <sup>2</sup>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(12 383)</b>	<b>Programme 4</b>		<b>12 383</b>
Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	(12 383)	Departmental agencies and accounts	Creation of a new transfer line for Agrément South Africa <sup>1</sup>	12 383
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>			
<b>Total</b>		<b>(18 611)</b>			<b>18 611</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Other adjustments – R15.966 million

### Funds shifted between votes

Programme 4: Property and Construction Industry Policy and Research

R15.966 million has been shifted to the National School of Government in the Department of Public Service and Administration.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome				2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15 appropriation	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16 appropriation	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16 appropriation	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand									
Administration	477 346	216 743	45.4	479 150	100.4	516 006	7.9	212 571	41.2
Intergovernmental Coordination	45 723	15 024	32.9	44 747	97.9	28 639	0.4	5 819	20.3
Expanded Public Works Programme	1 953 369	1 029 925	52.7	1 939 909	99.3	2 319 500	35.6	1 101 677	47.5
Property and Construction Industry Policy and Research	3 742 962	1 194 894	31.9	3 735 387	99.8	3 552 562	54.5	1 897 606	53.4
Prestige Policy	92 822	42 123	45.4	81 954	88.3	96 092	1.5	38 094	39.6
<b>Total</b>	<b>6 312 222</b>	<b>2 498 709</b>	<b>39.6</b>	<b>6 281 147</b>	<b>99.5</b>	<b>6 512 799</b>	<b>100.0</b>	<b>3 255 767</b>	<b>50.0</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>884 081</b>	<b>404 939</b>	<b>45.8</b>	<b>801 893</b>	<b>90.7</b>	<b>905 083</b>	<b>13.9</b>	<b>470 021</b>	<b>51.9</b>
Compensation of employees	474 995	219 859	46.3	435 858	91.8	471 825	7.2	262 367	55.6
Goods and services	409 086	184 963	45.2	364 462	89.1	433 258	6.7	207 654	47.9
Interest and rent on land	–	117	–	1 573	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>5 400 081</b>	<b>2 083 241</b>	<b>38.6</b>	<b>5 411 314</b>	<b>100.2</b>	<b>5 570 208</b>	<b>85.5</b>	<b>2 773 003</b>	<b>49.8</b>
Provinces and municipalities	1 140 001	630 674	55.3	1 139 399	99.9	1 425 668	21.9	652 807	45.8
Departmental agencies and accounts	3 641 837	1 076 200	29.6	3 653 519	100.3	3 507 375	53.9	1 772 866	50.5
Foreign governments and international organisations	23 273	23 363	100.4	23 363	100.4	28 234	0.4	28 234	100.0
Public corporations and private enterprises	50 000	50 000	100.0	50 000	100.0	–	–	–	–
Non-profit institutions	534 816	293 154	54.8	535 147	100.1	600 427	9.2	315 394	52.5
Households	10 154	9 850	97.0	9 886	97.4	8 504	0.1	3 702	43.5
<b>Payments for capital assets</b>	<b>28 060</b>	<b>10 529</b>	<b>37.5</b>	<b>23 537</b>	<b>83.9</b>	<b>37 508</b>	<b>0.6</b>	<b>12 743</b>	<b>34.0</b>
Machinery and equipment	28 060	9 924	35.4	23 180	82.6	37 508	0.6	12 743	34.0
Software and other intangible assets	–	605	–	357	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>44 403</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>6 312 222</b>	<b>2 498 709</b>	<b>39.6</b>	<b>6 281 147</b>	<b>99.5</b>	<b>6 512 799</b>	<b>100.0</b>	<b>3 255 767</b>	<b>50.0</b>

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.5 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R3.3 billion, or 50 per cent of the adjusted appropriation of R6.5 billion for the year. In comparison, mid-year expenditure in 2015/16 was R2.5 billion, or 39.6 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 has increased by R757.1 million, or 30.3 per cent. This is mainly due to the department having

transferred the total projected payment to the Property Management Trading Entity. By contrast, in the same period in 2015/16, there was a delay in the transferring of payments to the entity.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>1 878</b>	<b>1 328</b>	<b>70.7</b>	<b>7 106</b>	<b>378.4</b>	<b>1 474</b>	<b>2 764</b>	<b>100.0</b>	<b>1 834</b>	<b>66.4</b>
Sales of goods and services produced by department	570	489	85.8	977	171.4	-	585	21.2	566	96.8
Sales of scrap, waste, arms and other used current goods	8	4	50.0	8	100.0	-	10	0.4	5	50.0
Interest, dividends and rent on land	100	73	73.0	2 300	2 300.0	-	1 089	39.4	690	63.4
Sales of capital assets	-	-	-	9	-	-	-	-	-	-
Transactions in financial assets and liabilities	1 200	762	63.5	3 812	317.7	1 474	1 080	39.1	573	53.1
<b>Total</b>	<b>1 878</b>	<b>1 328</b>	<b>70.7</b>	<b>7 106</b>	<b>378.4</b>	<b>1 474</b>	<b>2 764</b>	<b>100.0</b>	<b>1 834</b>	<b>66.4</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R1.8 million, or 66.4 per cent of the adjusted revenue estimate of R2.8 million for the year. In comparison, mid-year revenue in 2015/16 was R1.3 million, or 70.7 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R506 000, or 38.1 per cent. Revenue collection was 24 per cent higher than anticipated, due to interests received from public corporations such as the Independent Development Trust, interest earned on the department's bank account, and other sales that were not anticipated.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>4 604</b>	-	-	(1 960)	-	-	<b>2 644</b>	
Employee social benefits	4 604	-	-	(1 960)	-	-	2 644	
<b>Property and Construction Industry</b>								
<b>Policy and Research</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>3 405 414</b>	-	-	12 383	-	(15 966)	<b>3 401 831</b>	
Agrément South Africa	-	-	-	12 383	-	-	12 383	
Property Management Trading Entity	3 405 414	-	-	-	-	(15 966)	3 389 448	
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>24 806</b>	-	-	3 428	-	-	<b>28 234</b>	
Commonwealth War Graves Commission	24 806	-	-	3 428	-	-	28 234	

# Vote 12

## Statistics South Africa

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>2 489 102</b>	<b>2 538 108</b>	<b>–</b>	<b>49 006</b>
Current payments	2 241 342	2 235 704	(5 638)	–
Transfers and subsidies	16 613	16 673	--	60
Payments for capital assets	231 147	285 731	–	54 584
Executive authority	Minister in the Presidency: Planning, Monitoring and Evaluation			
Accounting officer	Statistician-General of Statistics South Africa			
Website address	<a href="http://www.statssa.gov.za">www.statssa.gov.za</a>			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of quarterly and annual releases on GDP estimates per year	Economic Statistics	Outcome 4: Decent employment through inclusive economic growth	4	2	–
Number of releases on industry and trade statistics per year	Economic Statistics		150	76	–
Number of releases on financial statistics per year	Economic Statistics		17	9	–
Number of price index releases per year	Economic Statistics		48	24	–
Number of releases on labour market dynamics per year	Population and Social Statistics		8	4	–
Number of releases on living circumstances, service delivery and poverty per year	Population and Social Statistics	Outcome 8: Sustainable human settlements and improved quality of household life	4	2	–
Number of releases on the changing profile of the population per year	Population and Social Statistics	Outcome 2: A long and healthy life for all South Africans	17	8	–
Number of releases on the population dynamics at the national, provincial and municipal levels	Population and Social Statistics	Outcome 8: Sustainable human settlements and improved quality of household life	4	2	–

### Mid-year progress

The *Economic Statistics* programme published 111 of 219 statistical releases as scheduled in the first six months of 2016/17. The publications included 76 releases on industry and trade statistics, 24 releases on price statistics, 9 releases on financial statistics, and 2 releases on quarterly GDP estimates. The remaining releases and annual statistical reports are on track and will be published in the third and fourth quarters of 2016/17.

*Population and Social Statistics* programme published 16 of 33 releases in the first six months of 2016/17. The publications included 4 statistical releases on labour market dynamics; 2 releases on living circumstances, service delivery and poverty; 2 releases on the population dynamics at the national, provincial and municipal levels; and 8 releases on the changing profile of the population.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	709 167	49 006	–	(13 520)	–	–	35 486	744 653
Economic Statistics	224 738	–	–	4 035	–	–	4 035	228 773
Population and Social Statistics	126 982	–	–	2 506	–	–	2 506	129 488
Methodology, Standards and Research	69 603	–	–	3 819	–	–	3 819	73 422
Statistical Support and Informatics	255 373	–	–	1 671	–	–	1 671	257 044
Statistical Collection and Outreach	569 893	–	–	1 489	–	–	1 489	571 382
Survey Operations	533 346	–	–	–	–	–	–	533 346
<b>Total</b>	<b>2 489 102</b>	<b>49 006</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>49 006</b>	<b>2 538 108</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 241 342</b>	<b>–</b>	<b>–</b>	<b>(5 638)</b>	<b>–</b>	<b>–</b>	<b>(5 638)</b>	<b>2 235 704</b>
Compensation of employees	1 470 660	–	–	(62 270)	–	–	(62 270)	1 408 390
Goods and services	770 682	–	–	56 632	–	–	56 632	827 314
<b>Transfers and subsidies</b>	<b>16 613</b>	<b>–</b>	<b>–</b>	<b>60</b>	<b>–</b>	<b>–</b>	<b>60</b>	<b>16 673</b>
Departmental agencies and accounts	15	–	–	–	–	–	–	15
Higher education institutions	8 191	–	–	–	–	–	–	8 191
Non-profit institutions	323	–	–	–	–	–	–	323
Households	8 084	–	–	60	–	–	60	8 144
<b>Payments for capital assets</b>	<b>231 147</b>	<b>49 006</b>	<b>–</b>	<b>5 578</b>	<b>–</b>	<b>–</b>	<b>54 584</b>	<b>285 731</b>
Buildings and other fixed structures	181 354	49 006	–	–	–	–	49 006	230 360
Machinery and equipment	47 120	–	–	5 224	–	–	5 224	52 344
Software and other intangible assets	2 673	–	–	354	–	–	354	3 027
<b>Total</b>	<b>2 489 102</b>	<b>49 006</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>49 006</b>	<b>2 538 108</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Departmental Management	36 199	–	–	3 112	–	–	3 112	39 311
Corporate Services	200 414	–	–	(16 632)	–	–	(16 632)	183 782
Financial Administration	83 072	–	–	–	–	–	–	83 072
Internal Audit	13 178	–	–	–	–	–	–	13 178
National Statistics System	32 261	–	–	–	–	–	–	32 261
Office Accommodation	344 043	49 006	–	–	–	–	49 006	393 049
<b>Total</b>	<b>709 167</b>	<b>49 006</b>	<b>–</b>	<b>(13 520)</b>	<b>–</b>	<b>–</b>	<b>35 486</b>	<b>744 653</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>506 743</b>	<b>–</b>	<b>–</b>	<b>(15 162)</b>	<b>–</b>	<b>–</b>	<b>(15 162)</b>	<b>491 581</b>
Compensation of employees	266 026	–	–	(13 520)	–	–	(13 520)	252 506
Goods and services	240 717	–	–	(1 642)	–	–	(1 642)	239 075
<b>Transfers and subsidies</b>	<b>11 105</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>11 105</b>
Departmental agencies and accounts	14	–	–	–	–	–	–	14
Higher education institutions	8 191	–	–	–	–	–	–	8 191
Non-profit institutions	123	–	–	–	–	–	–	123
Households	2 777	–	–	–	–	–	–	2 777
<b>Payments for capital assets</b>	<b>191 319</b>	<b>49 006</b>	<b>–</b>	<b>1 642</b>	<b>–</b>	<b>–</b>	<b>50 648</b>	<b>241 967</b>
Buildings and other fixed structures	181 354	49 006	–	–	–	–	49 006	230 360
Machinery and equipment	9 965	–	–	1 458	–	–	1 458	11 423
Software and other intangible assets	–	–	–	184	–	–	184	184
<b>Total</b>	<b>709 167</b>	<b>49 006</b>	<b>–</b>	<b>(13 520)</b>	<b>–</b>	<b>–</b>	<b>35 486</b>	<b>744 653</b>

**Programme 2: Economic Statistics**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management for Economic Statistics	5 947	-	-	(135)	-	-	(135)	5 812
Short Term Indicators	32 462	-	-	(1 209)	-	-	(1 209)	31 253
Structural Industry Statistics	41 238	-	-	409	-	-	409	41 647
Price Statistics	69 843	-	-	1 125	-	-	1 125	70 968
Private Sector Finance Statistics	30 074	-	-	1 481	-	-	1 481	31 555
Government Finance Statistics	17 043	-	-	886	-	-	886	17 929
National Accounts	20 296	-	-	531	-	-	531	20 827
Economic Analysis	7 835	-	-	947	-	-	947	8 782
<b>Total</b>	<b>224 738</b>	<b>-</b>	<b>-</b>	<b>4 035</b>	<b>-</b>	<b>-</b>	<b>4 035</b>	<b>228 773</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>223 530</b>	<b>-</b>	<b>-</b>	<b>3 760</b>	<b>-</b>	<b>-</b>	<b>3 760</b>	<b>227 290</b>
Compensation of employees	199 575	-	-	4 035	-	-	4 035	203 610
Goods and services	23 955	-	-	(275)	-	-	(275)	23 680
<b>Transfers and subsidies</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>39</b>
Departmental agencies and accounts	1	-	-	-	-	-	-	1
Households	25	-	-	13	-	-	13	38
<b>Payments for capital assets</b>	<b>1 182</b>	<b>-</b>	<b>-</b>	<b>262</b>	<b>-</b>	<b>-</b>	<b>262</b>	<b>1 444</b>
Machinery and equipment	1 182	-	-	262	-	-	262	1 444
<b>Total</b>	<b>224 738</b>	<b>-</b>	<b>-</b>	<b>4 035</b>	<b>-</b>	<b>-</b>	<b>4 035</b>	<b>228 773</b>

**Programme 3: Population and Social Statistics**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management for Population and Social Statistics	5 234	-	-	(820)	-	-	(820)	4 414
Population Statistics	8 530	-	-	3 326	-	-	3 326	11 856
Health and Vital Statistics	12 115	-	-	-	-	-	-	12 115
Social Statistics	14 954	-	-	-	-	-	-	14 954
Demographic Analysis	15 975	-	-	-	-	-	-	15 975
Labour Statistics	42 071	-	-	-	-	-	-	42 071
Poverty and Inequality Statistics	28 103	-	-	-	-	-	-	28 103
<b>Total</b>	<b>126 982</b>	<b>-</b>	<b>-</b>	<b>2 506</b>	<b>-</b>	<b>-</b>	<b>2 506</b>	<b>129 488</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>125 187</b>	<b>-</b>	<b>-</b>	<b>2 465</b>	<b>-</b>	<b>-</b>	<b>2 465</b>	<b>127 652</b>
Compensation of employees	103 398	-	-	2 506	-	-	2 506	105 904
Goods and services	21 789	-	-	(41)	-	-	(41)	21 748
<b>Transfers and subsidies</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>225</b>
Non-profit institutions	200	-	-	-	-	-	-	200
Households	-	-	-	25	-	-	25	25
<b>Payments for capital assets</b>	<b>1 595</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>1 611</b>
Machinery and equipment	1 495	-	-	16	-	-	16	1 511
Software and other intangible assets	100	-	-	-	-	-	-	100
<b>Total</b>	<b>126 982</b>	<b>-</b>	<b>-</b>	<b>2 506</b>	<b>-</b>	<b>-</b>	<b>2 506</b>	<b>129 488</b>

**Programme 4: Methodology, Standards and Research**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management for Methodology, Standards and Research	4 339	-	-	402	-	-	402	4 741
Policy Research and Analysis	5 787	-	-	1 280	-	-	1 280	7 067
Methodology and Evaluation	18 367	-	-	1 280	-	-	1 280	19 647
Survey Standards	7 501	-	-	90	-	-	90	7 591
Business Register	33 609	-	-	767	-	-	767	34 376
<b>Total</b>	<b>69 603</b>	<b>-</b>	<b>-</b>	<b>3 819</b>	<b>-</b>	<b>-</b>	<b>3 819</b>	<b>73 422</b>

**Programme 4: Methodology, Standards and Research (continued)**

Economic classification	2016/17								
	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>68 805</b>	-	-	<b>3 732</b>	-	-	<b>3 732</b>	<b>72 537</b>	
Compensation of employees	65 388	-	-	3 819	-	-	3 819	69 207	
Goods and services	3 417	-	-	(87)	-	-	(87)	3 330	
<b>Transfers and subsidies</b>	<b>385</b>	-	-	-	-	-	-	<b>385</b>	
Households	385	-	-	-	-	-	-	385	
<b>Payments for capital assets</b>	<b>413</b>	-	-	<b>87</b>	-	-	<b>87</b>	<b>500</b>	
Machinery and equipment	413	-	-	87	-	-	87	500	
<b>Total</b>	<b>69 603</b>	-	-	<b>3 819</b>	-	-	<b>3 819</b>	<b>73 422</b>	

**Programme 5: Statistical Support and Informatics**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management for Statistical Support and Informatics	4 177	-	-	-	-	-	-	4 177	
Geography Services	25 360	-	-	1 518	-	-	1 518	26 878	
Geography Frames	26 048	-	-	(194)	-	-	(194)	25 854	
Publication Services	26 048	-	-	-	-	-	-	26 048	
Data Management and Technology	124 145	-	-	(81)	-	-	(81)	124 064	
Business Modernisation	49 595	-	-	428	-	-	428	50 023	
<b>Total</b>	<b>255 373</b>	-	-	<b>1 671</b>	-	-	<b>1 671</b>	<b>257 044</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>239 071</b>	-	-	<b>(1 402)</b>	-	-	<b>(1 402)</b>	<b>237 669</b>	
Compensation of employees	136 500	-	-	1 671	-	-	1 671	138 171	
Goods and services	102 571	-	-	(3 073)	-	-	(3 073)	99 498	
<b>Transfers and subsidies</b>	<b>-</b>	-	-	<b>28</b>	-	-	<b>28</b>	<b>28</b>	
Households	-	-	-	28	-	-	28	28	
<b>Payments for capital assets</b>	<b>16 302</b>	-	-	<b>3 045</b>	-	-	<b>3 045</b>	<b>19 347</b>	
Machinery and equipment	13 729	-	-	3 365	-	-	3 365	17 094	
Software and other intangible assets	2 573	-	-	(320)	-	-	(320)	2 253	
<b>Total</b>	<b>255 373</b>	-	-	<b>1 671</b>	-	-	<b>1 671</b>	<b>257 044</b>	

**Programme 6: Statistical Collection and Outreach**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management for Statistical Collection and Outreach	8 017	-	-	170	-	-	170	8 187	
International Statistical Development and Cooperation	11 211	-	-	(170)	-	-	(170)	11 041	
Provincial and District Offices	514 005	-	-	1 181	-	-	1 181	515 186	
Stakeholder Relations and Marketing	19 988	-	-	154	-	-	154	20 142	
Corporate Communications	16 672	-	-	154	-	-	154	16 826	
<b>Total</b>	<b>569 893</b>	-	-	<b>1 489</b>	-	-	<b>1 489</b>	<b>571 382</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>555 856</b>	-	-	<b>1 290</b>	-	-	<b>1 290</b>	<b>557 146</b>	
Compensation of employees	466 075	-	-	1 489	-	-	1 489	467 564	
Goods and services	89 781	-	-	(199)	-	-	(199)	89 582	
<b>Transfers and subsidies</b>	<b>158</b>	-	-	<b>(6)</b>	-	-	<b>(6)</b>	<b>152</b>	
Households	158	-	-	(6)	-	-	(6)	152	
<b>Payments for capital assets</b>	<b>13 879</b>	-	-	<b>205</b>	-	-	<b>205</b>	<b>14 084</b>	
Machinery and equipment	13 879	-	-	205	-	-	205	14 084	
<b>Total</b>	<b>569 893</b>	-	-	<b>1 489</b>	-	-	<b>1 489</b>	<b>571 382</b>	

**Programme 7: Survey Operations**

Subprogramme	2016/17							Adjusted appropriation
	Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management for Survey Operations	14 491	-	-	-	-	-	-	14 491
Census and Community Survey Operations	407 948	-	-	-	-	-	-	407 948
Household Survey Operations	22 811	-	-	-	-	-	-	22 811
Corporate Data Processing	69 578	-	-	-	-	-	-	69 578
Survey Coordination, Monitoring and Evaluation	18 518	-	-	-	-	-	-	18 518
<b>Total</b>	<b>533 346</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>533 346</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>522 150</b>	<b>-</b>	<b>-</b>	<b>(321)</b>	<b>-</b>	<b>-</b>	<b>(321)</b>	<b>521 829</b>
Compensation of employees	233 698	-	-	(62 270)	-	-	(62 270)	171 428
Goods and services	288 452	-	-	61 949	-	-	61 949	350 401
<b>Transfers and Subsidies</b>	<b>4 739</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 739</b>
Households	4 739	-	-	-	-	-	-	4 739
<b>Payments for capital assets</b>	<b>6 457</b>	<b>-</b>	<b>-</b>	<b>321</b>	<b>-</b>	<b>-</b>	<b>321</b>	<b>6 778</b>
Machinery and equipment	6 457	-	-	(169)	-	-	(169)	6 288
Software and other intangible assets	-	-	-	490	-	-	490	490
<b>Total</b>	<b>533 346</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>533 346</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Roll-overs – R49.006 million**

Programme 1: Administration

R49.006 million has been rolled over for the capital contribution to the public private partnership project to finalise the construction of the new head office building.

**Virements and shifts within votes****Programmes**

1. Administration
2. Economic Statistics
3. Population and Social Statistics
4. Methodology, Standards and Research
5. Statistical Support and Informatics
6. Statistical Collection and Outreach
7. Survey Operations

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(15 169)</b>	<b>Programme 1</b>		<b>1 649</b>
Goods and services	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(1 465)	Machinery and equipment	Audio visual equipment, and payments for capital assets	1 465
	Cost containment measures effected on infrastructure, and planning services	(177)	Software and other intangible assets	Computer software	177
Machinery and equipment	Lower than anticipated spending on laptop computers	(7)	Software and other intangible assets	Computer software	7

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Compensation of employees	Cost containment measures effected by the training function moving in-house	(4 035)	<b>Programme 2</b>		<b>4 035</b>
			Compensation of employees	Reskilling and absorption of security personnel and trainers	4 035
	Funds available due to the security function now being catered for in the unitary payment	(2 506)	<b>Programme 3</b>		<b>2 506</b>
			Compensation of employees	Reskilling and absorption of security personnel and trainers	2 506
	Cost containment measures effected by the training function moving in-house	(3 819)	<b>Programme 4</b>		<b>3 819</b>
			Compensation of employees	Reskilling and absorption of security personnel and trainers	3 819
	Funds available due to the security function now being catered for in the unitary payment	(1 671)	<b>Programme 5</b>		<b>1 671</b>
			Compensation of employees	Reskilling and absorption of security personnel and trainers	1 671
	Cost containment measures effected by the training function moving in-house	(1 489)	<b>Programme 6</b>		<b>1 489</b>
			Compensation of employees	Reskilling and absorption of security personnel and trainers	1 489
Funds available due to the security function now being catered for in the unitary payment					
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		1.9%			
<b>Programme 2</b>		<b>(275)</b>	<b>Programme 2</b>		<b>275</b>
Goods and services	Cost containment measures effected, mainly on communication, stationery, printing and office supplies	(262)	Machinery and equipment	Cell phone contracts	262
	Cost containment measures effected, mainly on communication, stationery, printing and office supplies	(13)	Households	Leave gratuities	13
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(41)</b>	<b>Programme 3</b>		<b>41</b>
Goods and services	Cost containment measures effected, mainly on agency and support services	(16)	Machinery and equipment	Cell phone contracts	16
	Cost containment measures effected, mainly on agency and support services	(25)	Households	Leave gratuities	25
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(87)</b>	<b>Programme 4</b>		<b>87</b>
Goods and services	Cost containment measures effected, mainly on communication	(87)	Machinery and equipment	Cell phone contracts	87
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(3 393)</b>	<b>Programme 5</b>		<b>3 393</b>
Goods and services	Cost containment measures effected, mainly on contractors, and communication	(3 045)	Machinery and equipment	Cell phone contracts	3 045
	Cost containment measures effected, mainly on contractors, and communication	(28)	Households	Leave gratuities	28
Software and other intangible assets	Lower than anticipated spending on software	(320)	Machinery and equipment	Cell phone contracts, and leasing of a computer router for the new head office building	320
Shifts within the programme as a percentage of the programme budget		1.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 6</b>		<b>(403)</b>	<b>Programme 6</b>		<b>403</b>
Goods and services	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(298)	Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	298
	Cost containment measures effected mainly on communication			Laptop computers for newly appointed employees, and photographic equipment	
Machinery and equipment	Lower than anticipated spending on transport equipment <sup>1</sup>	(99)	Goods and services	Vehicle leases	99
Households	Lower than anticipated spending on leave gratuities	(6)	Machinery and equipment	Procurement of laptop computers for newly appointed employees, and photographic equipment	6
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 7</b>		<b>(62 841)</b>	<b>Programme 7</b>		<b>62 841</b>
Goods and services	Reclassification of cell phone contracts due to changes to the standard chart of accounts	(81)	Machinery and equipment	Reclassification of cell phone contracts due to changes to the standard chart of accounts	81
	Cost containment measures effected, mainly on fleet services, and travel and subsistence	(240)	Software and other intangible assets	Software for capturing death notifications from the Department of Home Affairs	240
Machinery and equipment	Lower than anticipated spending on the leasing of photocopy machines	(250)	Software and other intangible assets	Video production and dissemination of the 2016 community survey	250
Compensation of employees	Reclassification of fieldworker payments for the 2016 community survey <sup>2</sup>	(62 270)	Goods and services	Reclassification of fieldworker payments for the 2016 community survey <sup>1</sup>	62 270
Shifts within the programme as a percentage of the programme budget		11.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(82 209)</b>			

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
Administration	853 833	368 883	43.2	800 124	93.7	744 653	29.3	297 817	40.0	
Economic Statistics	215 868	105 272	48.8	218 651	101.3	228 773	9.0	114 484	50.0	
Population and Social Statistics	144 882	92 199	63.6	161 188	111.3	129 488	5.1	58 474	45.2	
Methodology, Standards and Research	64 587	27 708	42.9	58 149	90.0	73 422	2.9	33 868	46.1	
Statistical Support and Informatics	246 106	87 957	35.7	220 177	89.5	257 044	10.1	93 816	36.5	
Statistical Collection and Outreach	556 828	274 617	49.3	575 785	103.4	571 382	22.5	295 510	51.7	
Survey Operations	241 152	75 914	31.5	239 466	99.3	533 346	21.0	390 106	73.1	
<b>Total</b>	<b>2 323 256</b>	<b>1 032 550</b>	<b>44.4</b>	<b>2 273 540</b>	<b>97.9</b>	<b>2 538 108</b>	<b>100.0</b>	<b>1 284 075</b>	<b>50.6</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>1 946 104</b>	<b>870 420</b>	<b>44.7</b>	<b>1 943 937</b>	<b>99.9</b>	<b>2 235 704</b>	<b>88.1</b>	<b>1 204 902</b>	<b>53.9</b>	
Compensation of employees	1 288 838	628 669	48.8	1 288 374	100.0	1 408 390	55.5	703 752	50.0	
Goods and services	657 266	241 751	36.8	655 535	99.7	827 314	32.6	501 150	60.6	
Interest and rent on land	-	-	-	28	-	-	-	-	0.0	
<b>Transfers and subsidies</b>	<b>15 948</b>	<b>7 738</b>	<b>48.5</b>	<b>14 995</b>	<b>94.0</b>	<b>16 673</b>	<b>0.7</b>	<b>9 429</b>	<b>56.6</b>	
Departmental agencies and accounts	6	2	33.3	15	250.0	15	-	8	53.3	
Higher education institutions	8 310	4 500	54.2	7 600	91.5	8 191	0.3	6 578	80.3	
Public corporations and private enterprises	-	10	-	77	-	-	-	135	-	
Non-profit institutions	438	537	122.6	438	100.0	323	-	200	61.9	
Households	7 194	2 689	37.4	6 865	95.4	8 144	0.3	2 508	30.8	
<b>Payments for capital assets</b>	<b>361 204</b>	<b>154 392</b>	<b>42.7</b>	<b>313 379</b>	<b>86.8</b>	<b>285 731</b>	<b>11.3</b>	<b>69 744</b>	<b>24.4</b>	
Buildings and other fixed structures	304 271	128 841	42.3	255 265	83.9	230 360	9.1	45 446	19.7	
Machinery and equipment	49 772	22 349	44.9	54 633	109.8	52 344	2.1	23 363	44.6	
Software and other intangible assets	7 161	3 202	44.7	3 481	48.6	3 027	0.1	935	30.9	
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 229</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>2 323 256</b>	<b>1 032 550</b>	<b>44.4</b>	<b>2 273 540</b>	<b>97.9</b>	<b>2 538 108</b>	<b>100.0</b>	<b>1 284 075</b>	<b>50.6</b>	

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 97.9 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R1.3 billion, or 50.6 per cent of the adjusted appropriation of R2.5 billion for the year. In comparison, mid-year expenditure in 2015/16 was R1 billion, or 44.4 per cent of the 2015/16

adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R251.5 million, or 24.4 per cent. This was mainly due to the community survey, which was conducted in 2016.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome		Actual receipts		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate				Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>2 924</b>	<b>2 362</b>	<b>80.8</b>	<b>10 055</b>	<b>343.9</b>	<b>1 428</b>	<b>3 207</b>	<b>100.0</b>	<b>1 616</b>	<b>50.4</b>
Sales of goods and services produced by department	948	468	49.4	938	98.9	769	814	25.4	471	57.9
Sales of scrap, waste, arms and other used current goods	85	74	87.1	177	208.2	85	735	22.9	729	99.2
Interest, dividends and rent on land	80	30	37.5	124	155.0	74	48	1.5	36	75.0
Sales of capital assets	–	–	–	–	–	–	1 050	32.7	–	–
Transactions in financial assets and liabilities	1 811	1 790	98.8	8 816	486.8	500	560	17.5	380	67.9
<b>Total</b>	<b>2 924</b>	<b>2 362</b>	<b>80.8</b>	<b>10 055</b>	<b>343.9</b>	<b>1 428</b>	<b>3 207</b>	<b>100.0</b>	<b>1 616</b>	<b>50.4</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R1.6 million, or 50.4 per cent of the adjusted revenue estimate of R3.2 million for the year. In comparison, mid-year revenue in 2015/16 was R2.4 million, or 80.8 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R746 000, or 31.6 per cent. This was mainly due to the decrease in financial transactions in assets and liabilities for a reversal of official vehicle expenditure related to 2015/16.

## Changes to transfers and subsidies

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

R thousand	Main appropriation	2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Economic Statistics</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	25	–	–	13	–	–	13	38
Employee social benefits	25	–	–	13	–	–	13	38
<b>Population and Social Statistics</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	–	25	–	–	25	25
Employee social benefits	–	–	–	25	–	–	25	25
<b>Statistical Support and Informatics</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	–	28	–	–	28	28
Employee social benefits	–	–	–	28	–	–	28	28
<b>Statistical Collection and Outreach</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	158	–	–	(6)	–	–	(6)	152
Employee social benefits	158	–	–	(6)	–	–	(6)	152



# Vote 13

## Women

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>196 887</b>	<b>196 887</b>	-	-
Current payments	123 263	123 263	-	-
Transfers and subsidies	69 893	69 893	-	-
Payments for capital assets	3 731	3 731	-	-
Executive authority	Minister of Women			
Accounting officer	Director-General of Women			
Website address	www.women.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Women's financial inclusion position paper developed for approval by Parliament	Social Transformation and Economic Empowerment	Outcome 14: Nation building and social cohesion	Draft discussion paper on women's financial inclusion developed	Draft Discussion paper developed and released for external consultation	-
Gender responsive planning and budgeting framework developed by 2018/19	Social Transformation and Economic Empowerment		Draft gender responsive planning and budgeting framework developed	Draft gender responsive planning framework has been developed and released for external consultation	-
Prevention strategy for integrated programme of action on violence against women and children developed	Social Transformation and Economic Empowerment		Draft discussion paper on the prevention strategy on integrated programme of action on violence against women and children developed	The draft discussion paper towards a national prevention has been developed and is awaiting approval from the Minister of Women	-
Number of reports on international treaties and conventions produced per year	Policy, Stakeholder Coordination and Knowledge Management		1	-	-
Number of outreach initiatives on women empowerment and gender equality conducted per year	Policy, Stakeholder Coordination and Knowledge Management		4	2	-
Number of reports produced on the socioeconomic empowerment of women per year	Policy, Stakeholder Coordination and Knowledge Management		1	-	-

### Mid-year progress

By the end of the first half of 2016/17, the discussion paper on women's financial inclusion was drafted and has been released to external stakeholders for consultation. The department has also developed the report on the gender responsive planning and budgeting framework and released it for external consultation. The draft discussion paper on the strategy for nationwide prevention of violence against women and children has been developed, and is awaiting approval from the Minister of Women.

The department is on track to meet all its annual targets.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	89 357	-	-	(1 070)	-	-	(1 070)	88 287
Social Transformation and Economic Empowerment Policy, Stakeholder Coordination and Knowledge Management	23 128	-	-	1 070	-	-	1 070	24 198
<b>Total</b>	<b>196 887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>196 887</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>123 263</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123 263</b>
Compensation of employees	72 613	-	-	-	-	-	-	72 613
Goods and services	50 650	-	-	-	-	-	-	50 650
<b>Transfers and subsidies</b>	<b>69 893</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69 893</b>
Provinces and municipalities	1	-	-	-	-	-	-	1
Departmental agencies and accounts	69 891	-	-	-	-	-	-	69 891
Households	1	-	-	-	-	-	-	1
<b>Payments for capital assets</b>	<b>3 731</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 731</b>
Buildings and other fixed structures	120	-	-	-	-	-	-	120
Machinery and equipment	3 611	-	-	-	-	-	-	3 611
<b>Total</b>	<b>196 887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>196 887</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	19 674	-	-	-	-	-	-	19 674
Departmental Management	20 162	-	-	-	-	-	-	20 162
Corporate Services	20 216	-	-	(1 070)	-	-	(1 070)	19 146
Financial Management	14 026	-	-	-	-	-	-	14 026
Office Accommodation	15 279	-	-	-	-	-	-	15 279
<b>Total</b>	<b>89 357</b>	<b>-</b>	<b>-</b>	<b>(1 070)</b>	<b>-</b>	<b>-</b>	<b>(1 070)</b>	<b>88 287</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>86 716</b>	<b>-</b>	<b>-</b>	<b>(1 070)</b>	<b>-</b>	<b>-</b>	<b>(1 070)</b>	<b>85 646</b>
Compensation of employees	51 363	-	-	(1 070)	-	-	(1 070)	50 293
Goods and services	35 353	-	-	-	-	-	-	35 353
<b>Transfers and subsidies</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>
Provinces and municipalities	1	-	-	-	-	-	-	1
Households	1	-	-	-	-	-	-	1
<b>Payments for capital assets</b>	<b>2 639</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 639</b>
Machinery and equipment	2 639	-	-	-	-	-	-	2 639
<b>Total</b>	<b>89 357</b>	<b>-</b>	<b>-</b>	<b>(1 070)</b>	<b>-</b>	<b>-</b>	<b>(1 070)</b>	<b>88 287</b>

**Programme 3: Policy, Stakeholder Coordination and Knowledge Management**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management: Policy Coordination and Knowledge Management	4 057	-	-	-	-	-	-	4 057
Research and Policy Analysis	4 481	-	-	-	-	-	-	4 481
Information and Knowledge Management	2 224	-	-	-	-	-	-	2 224
Stakeholder Coordination and Outreach	8 137	-	-	1 070	-	-	1 070	9 207
Monitoring and Evaluation	4 229	-	-	-	-	-	-	4 229
<b>Total</b>	<b>23 128</b>	<b>-</b>	<b>-</b>	<b>1 070</b>	<b>-</b>	<b>-</b>	<b>1 070</b>	<b>24 198</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>22 458</b>	<b>-</b>	<b>-</b>	<b>1 070</b>	<b>-</b>	<b>-</b>	<b>1 070</b>	<b>23 528</b>
Compensation of employees	13 985	-	-	1 070	-	-	1 070	15 055
Goods and services	8 473	-	-	-	-	-	-	8 473
<b>Payments for capital assets</b>	<b>670</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>670</b>
Machinery and equipment	670	-	-	-	-	-	-	670
<b>Total</b>	<b>23 128</b>	<b>-</b>	<b>-</b>	<b>1 070</b>	<b>-</b>	<b>-</b>	<b>1 070</b>	<b>24 198</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

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

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(1 070)	Programme 3		1 070
Compensation of employees	Vacant posts	(1 070)	Compensation of employees	Creation of a new position	1 070
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.2%			
<b>Total</b>		<b>(1 070)</b>			<b>1 070</b>

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16					2016/17				
	Adjusted appropriation	Audited outcome		Apr 15 - Mar 16		Adjusted appropriation	Adjusted appropriation/Total (%)	Actual expenditure		
Apr 15 - Sep 15		adjusted % of appropriation	Apr 15 - Mar 16	adjusted % of appropriation	Apr 16 - Sep 16			adjusted % of appropriation		
R thousand										
Administration	78 876	42 582	54.0	84 902	107.6	88 287	44.8	45 622	51.7	
Social Transformation and Economic Empowerment	86 931	41 456	47.7	83 152	95.7	84 402	42.9	39 607	46.9	
Policy, Stakeholder Coordination and Knowledge Management	23 295	10 012	43.0	20 312	87.2	24 198	12.3	11 246	46.5	
<b>Total</b>	<b>189 102</b>	<b>94 050</b>	<b>49.7</b>	<b>188 366</b>	<b>99.6</b>	<b>196 887</b>	<b>100.0</b>	<b>96 475</b>	<b>49.0</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>117 854</b>	<b>59 344</b>	<b>50.4</b>	<b>117 425</b>	<b>99.6</b>	<b>123 263</b>	<b>62.6</b>	<b>60 415</b>	<b>49.0</b>	
Compensation of employees	65 056	31 492	48.4	63 643	97.8	72 613	36.9	36 551	50.3	
Goods and services	52 798	27 852	52.8	53 782	101.9	50 650	25.7	23 864	47.1	

2016 Adjusted Estimates of National Expenditure

Economic classification	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
R thousand									
<b>Transfers and subsidies</b>	<b>67 754</b>	<b>34 256</b>	<b>50.6</b>	<b>68 170</b>	<b>100.6</b>	<b>69 893</b>	<b>35.5</b>	<b>35 116</b>	<b>50.2</b>
Provinces and municipalities	–	3	0.0	12	0.0	1	0.0	1	100.0
Departmental agencies and accounts	67 689	33 846	50.0	67 689	100.0	69 891	35.5	34 949	50.0
Households	65	407	626.2	469	721.5	1	0.0	166	16600.0
<b>Payments for capital assets</b>	<b>3 494</b>	<b>450</b>	<b>12.9</b>	<b>2 771</b>	<b>79.3</b>	<b>3 731</b>	<b>1.9</b>	<b>944</b>	<b>25.3</b>
Buildings and other fixed structures	–	11	0.0	11	0.0	120	0.1	–	0.0
Machinery and equipment	3 494	439	12.6	2 760	79.0	3 611	1.8	793	22.0
Software and other intangible assets	–	–	0.0	–	0.0	–	0.0	151	0.0
<b>Total</b>	<b>189 102</b>	<b>94 050</b>	<b>49.7</b>	<b>188 366</b>	<b>99.6</b>	<b>196 887</b>	<b>100.0</b>	<b>96 475</b>	<b>49.0</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.6 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R96.5 million, or 49 per cent of the adjusted appropriation of R196.9 million for the year. The increase in expenditure is mainly on compensation of employees as a result of additional staff employed to assist with hosting the 60th Anniversary of Women in May 2016. The increase was also due to the reinstatement of an official, after dismissal in 2013, following a labour court judgement. In comparison, mid-year expenditure in 2015/16 was R94.1 million, or 49.7 per cent of the 2015/16 adjusted appropriation.

### Departmental receipts

	2015/16 Audited outcome					2016/17 Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>32</b>	<b>16</b>	<b>50.0</b>	<b>42</b>	<b>131.3</b>	<b>34</b>	<b>306</b>	<b>100.0</b>	<b>281</b>	<b>91.8</b>
Sales of goods and services produced by department	32	8	25.0	17	53.1	34	34	11.1	9	26.5
Transactions in financial assets and liabilities	–	8	–	25	–	–	272	88.9	272	100.0
<b>Total</b>	<b>32</b>	<b>16</b>	<b>50.0</b>	<b>42</b>	<b>131.3</b>	<b>34</b>	<b>306</b>	<b>100.0</b>	<b>281</b>	<b>91.8</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R281 000, or 91.8 per cent of the adjusted revenue estimate of R306 000 for the year. Departmental revenue collection in the first six months of 2016/17 increased by R265 000 or 1 656.3 per cent, compared to revenue collected in the first six months of 2015/16. This is mainly due to the recovery of travel and subsistence advances paid to employees in 2015/16 and the sale of movable assets.

# Vote 14

## Basic Education

### Adjusted budget summary

2016/17				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>22 269 595</b>	<b>22 413 461</b>	<b>-</b>	<b>143 866</b>
<b>of which:</b>				
Current payments	2 548 497	2 580 720	-	32 223
Transfers and subsidies	17 464 973	17 839 114	-	374 141
Payments for capital assets	2 256 125	1 993 627	(262 498)	-
Executive authority	Minister of Basic Education			
Accounting officer	Director-General of Basic Education			
Website address	www.education.gov.za			

### Vote purpose

*Develop, maintain and support a South African school education system for the 21<sup>st</sup> century.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of learners accessing the Kha Ri Gude campaign per year	Curriculum Policy, Support and Monitoring	Outcome 1: Quality basic education	561 722	0	-
Average hours spent by teachers on professional development activities per year	Teachers, Education Human Resources and Institutional Development		58	24	-
Number of learners obtaining a national senior certificate through the Second Chance programme per year	Curriculum Policy, Support and Monitoring		10 000	0	-
Number of Funza Lushaka bursaries awarded to students enrolled for initial teacher education per year	Teachers, Education Human Resources and Institutional Development		14 000	14 343	-
Number of new schools built and completed through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		136	7	-
Number of schools provided with sanitation facilities through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		265	9	-
Number of schools provided with water through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		459	10	-
Number of schools provided with electricity through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		620	0	-
Number of schools provided with nutritious meals on each school day per year	Educational Enrichment Services		19 800	20 744	-

### Mid-year progress

Due to delays in procuring learner and teacher support materials, the 2016 Kha Ri Gude campaign is expected to start in November 2016. As the programme has reached saturation, the department expects to reach 295 000 learners instead of the set target of 561 722 learners. 2016/17 will be the final year of the programme and the funds will be reprioritised to other key educational projects.

Information on the performance of learners who participated in the Second Chance programme in 2016 is not yet available. The department is still in the process of collecting and verifying the information.

14 343 Funza Lushaka bursaries were awarded for initial teacher education within the first six months of the year. The target of 14 000 has been exceeded because university fees were lower than expected due to the zero increase of fees applied for 2016.

Only 7 new schools have been completed through the accelerated school infrastructure delivery initiative thus far, mainly due to delays in finalising the merging and rationalisation of schools in Eastern Cape. Now that these processes have been finalised, the department expects to complete 61 schools by the end of 2016/17. The delivery of water and sanitation projects have been compromised by poor performance of implementing agents, resulting in the completion of only 9 sanitation projects and 10 water projects. The underperforming implementing agents have been replaced and the department expects to meet the targets for water and sanitation provision as planned.

The schools targeted for electrification through the accelerated school infrastructure delivery initiative were found to have been energised through other electrification programmes of provinces, municipalities and Eskom. The remaining schools requiring electrification will be completed by Eskom in the current year.

The number of schools provided with a meal each year through the national school nutrition programme is 20 744 schools against a set target of 19 800 schools. This number exceeds the target due to feeding taking place at schools in quintiles 4 and 5 that were initially not part of the target.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	377 893	-	-	10 500	-	-	10 500	388 393
Curriculum Policy, Support and Monitoring	1 936 100	-	857	250	(35 000)	-	(33 893)	1 902 207
Teachers, Education Human Resources and Institutional Development	1 163 742	-	-	(3 700)	-	-	(3 700)	1 160 042
Planning, Information and Assessment	12 500 176	-	177 105	(54 848)	-	(1 041)	121 216	12 621 392
Educational Enrichment Services	6 291 684	-	1 945	47 798	-	-	49 743	6 341 427
<b>Total</b>	<b>22 269 595</b>	<b>-</b>	<b>179 907</b>	<b>-</b>	<b>(35 000)</b>	<b>(1 041)</b>	<b>143 866</b>	<b>22 413 461</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 548 497</b>	<b>-</b>	<b>957</b>	<b>67 307</b>	<b>(35 000)</b>	<b>(1 041)</b>	<b>32 223</b>	<b>2 580 720</b>
Compensation of employees	472 143	-	-	(908)	-	-	(908)	471 235
Goods and services	2 030 033	-	957	68 215	(35 000)	(1 041)	33 131	2 063 164
Interest and rent on land	46 321	-	-	-	-	-	-	46 321
<b>Transfers and subsidies</b>	<b>17 464 973</b>	<b>-</b>	<b>178 943</b>	<b>195 198</b>	<b>-</b>	<b>-</b>	<b>374 141</b>	<b>17 839 114</b>
Provinces and municipalities	16 212 997	-	178 943	194 290	-	-	373 233	16 586 230
Departmental agencies and accounts	1 162 484	-	-	-	-	-	-	1 162 484
Foreign governments and international organisations	17 314	-	-	-	-	-	-	17 314
Non-profit institutions	72 178	-	-	-	-	-	-	72 178
Households	-	-	-	908	-	-	908	908
<b>Payments for capital assets</b>	<b>2 256 125</b>	<b>-</b>	<b>7</b>	<b>(262 505)</b>	<b>-</b>	<b>-</b>	<b>(262 498)</b>	<b>1 993 627</b>
Buildings and other fixed structures	2 249 359	-	7	(262 343)	-	-	(262 336)	1 987 023
Machinery and equipment	6 628	-	-	(34)	-	-	(34)	6 594
Software and other intangible assets	138	-	-	(128)	-	-	(128)	10
<b>Total</b>	<b>22 269 595</b>	<b>-</b>	<b>179 907</b>	<b>-</b>	<b>(35 000)</b>	<b>(1 041)</b>	<b>143 866</b>	<b>22 413 461</b>

**Programme 1: Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	27 163	-	-	1 000	-	-	1 000	28 163
Department Management	63 756	-	-	1 800	-	-	1 800	65 556
Corporate Services	54 227	-	-	3 500	-	-	3 500	57 727
Office of the Chief Financial Officer	51 948	-	-	5 000	-	-	5 000	56 948
Internal Audit	5 877	-	-	(800)	-	-	(800)	5 077
Office Accommodation	174 922	-	-	-	-	-	-	174 922
<b>Total</b>	<b>377 893</b>	<b>-</b>	<b>-</b>	<b>10 500</b>	<b>-</b>	<b>-</b>	<b>10 500</b>	<b>388 393</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>366 910</b>	<b>-</b>	<b>-</b>	<b>10 606</b>	<b>-</b>	<b>-</b>	<b>10 606</b>	<b>377 516</b>
Compensation of employees	135 296	-	-	10 272	-	-	10 272	145 568
Goods and services	185 293	-	-	334	-	-	334	185 627
Interest and rent on land	46 321	-	-	-	-	-	-	46 321
<b>Transfers and subsidies</b>	<b>195</b>	<b>-</b>	<b>-</b>	<b>228</b>	<b>-</b>	<b>-</b>	<b>228</b>	<b>423</b>
Departmental agencies and accounts	195	-	-	-	-	-	-	195
Households	-	-	-	228	-	-	228	228
<b>Payments for capital assets</b>	<b>10 788</b>	<b>-</b>	<b>-</b>	<b>(334)</b>	<b>-</b>	<b>-</b>	<b>(334)</b>	<b>10 454</b>
Buildings and other fixed structures	7 216	-	-	-	-	-	-	7 216
Machinery and equipment	3 444	-	-	(206)	-	-	(206)	3 238
Software and other intangible assets	128	-	-	(128)	-	-	(128)	-
<b>Total</b>	<b>377 893</b>	<b>-</b>	<b>-</b>	<b>10 500</b>	<b>-</b>	<b>-</b>	<b>10 500</b>	<b>388 393</b>

**Programme 2: Curriculum Policy, Support and Monitoring**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: Curriculum Policy, Support and Monitoring	3 170	-	-	-	-	-	-	3 170
Curriculum Implementation and Monitoring	91 386	-	-	-	-	-	-	91 386
Kha Ri Gude Literacy Project	450 545	-	-	-	(35 000)	-	(35 000)	415 545
Curriculum and Quality Enhancement Programmes	1 390 999	-	857	250	-	-	1 107	1 392 106
<b>Total</b>	<b>1 936 100</b>	<b>-</b>	<b>857</b>	<b>250</b>	<b>(35 000)</b>	<b>-</b>	<b>(33 893)</b>	<b>1 902 207</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 572 656</b>	<b>-</b>	<b>857</b>	<b>(117)</b>	<b>(35 000)</b>	<b>-</b>	<b>(34 260)</b>	<b>1 538 396</b>
Compensation of employees	85 072	-	-	(149)	-	-	(149)	84 923
Goods and services	1 487 584	-	857	32	(35 000)	-	(34 111)	1 453 473
<b>Transfers and subsidies</b>	<b>362 568</b>	<b>-</b>	<b>-</b>	<b>149</b>	<b>-</b>	<b>-</b>	<b>149</b>	<b>362 717</b>
Provinces and municipalities	362 444	-	-	-	-	-	-	362 444
Foreign governments and international organisations	124	-	-	-	-	-	-	124
Households	-	-	-	149	-	-	149	149
<b>Payments for capital assets</b>	<b>876</b>	<b>-</b>	<b>-</b>	<b>218</b>	<b>-</b>	<b>-</b>	<b>218</b>	<b>1 094</b>
Machinery and equipment	866	-	-	218	-	-	218	1 084
Software and other intangible assets	10	-	-	-	-	-	-	10
<b>Total</b>	<b>1 936 100</b>	<b>-</b>	<b>857</b>	<b>250</b>	<b>(35 000)</b>	<b>-</b>	<b>(33 893)</b>	<b>1 902 207</b>

**Programme 3: Teachers, Education Human Resources and Institutional Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: Teachers, Education Human Resources and Institutional Development	2 097	-	-	1 000	-	-	1 000	3 097
Education Human Resources Management	78 672	-	-	(4 000)	-	-	(4 000)	74 672
Education Human Resources Development	1 068 541	-	-	300	-	-	300	1 068 841
Curriculum and Professional Development Unit	14 432	-	-	(1 000)	-	-	(1 000)	13 432
<b>Total</b>	<b>1 163 742</b>	<b>-</b>	<b>-</b>	<b>(3 700)</b>	<b>-</b>	<b>-</b>	<b>(3 700)</b>	<b>1 160 042</b>

**Programme 3: Teachers, Education Human Resources and Institutional Development (continued)**

Economic classification		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>105 688</b>	–	–	(3 642)	–	–	(3 642)	<b>102 046</b>
Compensation of employees	82 397	–	–	(5 089)	–	–	(5 089)	77 308
Goods and services	23 291	–	–	1 447	–	–	1 447	24 738
<b>Transfers and subsidies</b>	<b>1 057 536</b>	–	–	<b>89</b>	–	–	<b>89</b>	<b>1 057 625</b>
Departmental agencies and accounts	1 043 611	–	–	–	–	–	–	1 043 611
Foreign governments and international organisations	13 925	–	–	–	–	–	–	13 925
Households	–	–	–	89	–	–	89	89
<b>Payments for capital assets</b>	<b>518</b>	–	–	<b>(147)</b>	–	–	<b>(147)</b>	<b>371</b>
Machinery and equipment	518	–	–	(147)	–	–	(147)	371
<b>Total</b>	<b>1 163 742</b>	–	–	<b>(3 700)</b>	–	–	<b>(3 700)</b>	<b>1 160 042</b>

**Programme 4: Planning, Information and Assessment**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management: Planning, Information and Assessment	3 064	–	–	500	–	–	500	3 564
Financial Planning, Information and Management Systems	43 906	–	–	(1 500)	–	–	(1 500)	42 406
School Infrastructure	11 997 338	–	177 105	(51 298)	–	–	125 807	12 123 145
National Assessments and Public Examinations	338 990	–	–	(2 550)	–	(1 041)	(3 591)	335 399
National Education Evaluation and Development Unit	22 330	–	–	–	–	–	–	22 330
Planning and Delivery Oversight Unit	94 548	–	–	–	–	–	–	94 548
<b>Total</b>	<b>12 500 176</b>	–	<b>177 105</b>	<b>(54 848)</b>	–	<b>(1 041)</b>	<b>121 216</b>	<b>12 621 392</b>
<b>Economic Classification</b>								
<b>Current payments</b>	<b>448 796</b>	–	–	<b>64 545</b>	–	<b>(1 041)</b>	<b>63 504</b>	<b>512 300</b>
Compensation of employees	129 204	–	–	(1 842)	–	–	(1 842)	127 362
Goods and services	319 592	–	–	66 387	–	(1 041)	65 346	384 938
<b>Transfers and subsidies</b>	<b>9 807 755</b>	–	<b>177 098</b>	<b>142 834</b>	–	–	<b>319 932</b>	<b>10 127 687</b>
Provinces and municipalities	9 613 692	–	177 098	142 492	–	–	319 590	9 933 282
Departmental agencies and accounts	118 678	–	–	–	–	–	–	118 678
Foreign governments and international organisations	3 265	–	–	–	–	–	–	3 265
Non-profit institutions	72 120	–	–	–	–	–	–	72 120
Households	–	–	–	342	–	–	342	342
<b>Payments for capital assets</b>	<b>2 243 625</b>	–	<b>7</b>	<b>(262 227)</b>	–	–	<b>(262 220)</b>	<b>1 981 405</b>
Buildings and other fixed structures	2 242 143	–	7	(262 343)	–	–	(262 336)	1 979 807
Machinery and equipment	1 482	–	–	116	–	–	116	1 598
<b>Total</b>	<b>12 500 176</b>	–	<b>177 105</b>	<b>(54 848)</b>	–	<b>(1 041)</b>	<b>121 216</b>	<b>12 621 392</b>

**Programme 5: Educational Enrichment Services**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme Management: Educational Enrichment Services	3 003	–	–	–	–	–	–	3 003
Partnerships in Education	24 905	–	–	(3 000)	–	–	(3 000)	21 905
Care and Support in Schools	6 263 776	–	1 945	50 798	–	–	52 743	6 316 519
<b>Total</b>	<b>6 291 684</b>	–	<b>1 945</b>	<b>47 798</b>	–	–	<b>49 743</b>	<b>6 341 427</b>

**Programme 5: Educational Enrichment Services (continued)**

Economic classification	2016/17							
	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>54 447</b>	–	<b>100</b>	<b>(4 085)</b>	–	–	<b>(3 985)</b>	<b>50 462</b>
Compensation of employees	40 174	–	–	(4 100)	–	–	(4 100)	36 074
Goods and services	14 273	–	100	15	–	–	115	14 388
<b>Transfers and subsidies</b>	<b>6 236 919</b>	–	<b>1 845</b>	<b>51 898</b>	–	–	<b>53 743</b>	<b>6 290 662</b>
Provinces and municipalities	6 236 861	–	1 845	51 798	–	–	53 643	6 290 504
Non-profit institutions	58	–	–	–	–	–	–	58
Households	–	–	–	100	–	–	100	100
<b>Payments for capital assets</b>	<b>318</b>	–	–	<b>(15)</b>	–	–	<b>(15)</b>	<b>303</b>
Machinery and equipment	318	–	–	(15)	–	–	(15)	303
<b>Total</b>	<b>6 291 684</b>	–	<b>1 945</b>	<b>47 798</b>	–	–	<b>49 743</b>	<b>6 341 427</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Unforeseeable and unavoidable expenditure – R179.907 million**

Programme 2: Curriculum Policy, Support and Monitoring

R857 000 has been provided for the replacement of grade 12 workbooks and additional curriculum support at grade 12 catch up camps.

Programme 4: Planning, Information and Assessment

An additional R177.105 million has been allocated for the rehabilitation of schools and the provision of mobile classrooms.

Programme 5: Educational Enrichment Services

R1.945 million has been allocated for food for teachers and learners at grade 12 catch-up camps, and for travelling costs for additional monitoring and support visits by national department officials to the camps.

**Virements and shifts****Programmes**

- Administration
- Curriculum Policy, Support and Monitoring
- Teachers, Education Human Resources and Institutional Development
- Planning, Information and Assessment
- Educational Enrichment Services

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(852)</b>	<b>Programme 1</b>		<b>852</b>
Software and other intangible assets	Cost containment measures effected by extending the period of replacement of software <sup>1</sup>	(128)	Goods and services	Additional monitoring of the school infrastructure backlogs grant	128
Machinery and equipment	Cost containment measures and reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(351)	Goods and services	Consultants to capacitate the risk management section	351
Compensation of employees	Vacant posts <sup>1</sup>	(228)	Households	Leave gratuities	228
Goods and services	Cost containment measures effected, mainly on training and development as training was conducted in-house	(145)	Machinery and equipment	Replacement of obsolete computers	145
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%			

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(367)</b>	<b>Programme 2</b>		<b>367</b>
Compensation of employees	Vacant posts <sup>1</sup>	(149)	Households	Leave gratuities	149
Goods and services	Cost containment measures effected on travelling and subsistence, and consultants	(218)	Machinery and equipment	Replacement of obsolete computers	218
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(5 236)</b>	<b>Programme 3</b>		<b>147</b>
Machinery and equipment	Cost containment measures effected by extending the replacement period of computers <sup>1</sup>	(147)	Goods and services	Increased support and oversight visits to provinces	147
Compensation of employees	Reclassification of funds incorrectly classified in the 2016 ENE	(5 000)	<b>Programme 1</b>		<b>5 000</b>
	Vacant posts <sup>1</sup>	(89)	Compensation of employees	Alignment of funds with approved personnel structure	5 000
Shifts within the programme as a percentage of the programme budget		0.0%	<b>Programme 3</b>		<b>89</b>
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>	Households	Leave gratuities	89
<b>Programme 4</b>		<b>(265 847)</b>	<b>Programme 4</b>		<b>28</b>
Machinery and equipment	Cost containment measures effected by extending the replacement period of computers <sup>1</sup>	(28)	Goods and services	Increased support and oversight visits to provinces	28
Compensation of employees	Reclassification of funds incorrectly classified in the 2016 ENE	(1 500)	<b>Programme 1</b>		<b>1 500</b>
	Vacant posts <sup>1</sup>	(342)	Compensation of employees	Increases in personnel remuneration in line with restructuring	1 500
Goods and services	Cost containment measures effected on consumable stationery under the systemic evaluation project	(250)	<b>Programme 4</b>		<b>342</b>
	Cost containment measures effected on consumable stationery under the systemic evaluation project	(1 300)	Households	Leave gratuities	342
	Cost containment measures effected on consumable stationery	(84)	<b>Programme 2</b>		<b>250</b>
Buildings and other fixed structures	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(67 993)	Goods and services	Travel and subsistence	250
	Reallocation of funds due to delays in finalising the rationalisation and merging of schools	(60)	<b>Programme 3</b>		<b>1 300</b>
	Conversion of the school infrastructure backlogs indirect grant to a direct grant <sup>2</sup>	(142 492)	Goods and services	Ministerial task team investigation Maintenance of the Funza Lushaka monitoring system	1 300
	Reallocation of funds due to delays in finalising the rationalisation and merging of schools <sup>2</sup>	(51 798)	<b>Programme 4</b>		<b>210 629</b>
Shifts within the programme as a percentage of the programme budget		1.7%	Machinery and equipment	Replacement of obsolete computers	84
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>	Goods and services	Reclassification of funds under the school infrastructure backlogs grant for school furniture, audit costs and catering	67 993
			Machinery and equipment	Replacement of obsolete computers in the school infrastructure backlogs grant support unit	60
			Provinces and municipalities	Conversion of the school infrastructure backlogs indirect grant to a direct grant <sup>2</sup>	142 492
			<b>Programme 5</b>		<b>51 798</b>
			Provinces and municipalities	National school nutrition programme conditional grant <sup>2</sup>	51 798

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>		<b>(4 115)</b>	<b>Programme 5</b>		<b>15</b>
Machinery and equipment	Cost containment measures effected by extending the period of replacement of computers <sup>1</sup>	(15)	Goods and services	Impact study on the national school nutrition programme	15
Compensation of employees	Reclassification of funds incorrectly classified in the 2016 ENE	(4 000)	<b>Programme 1</b>		<b>4 000</b>
	Vacant posts <sup>1</sup>	(100)	Compensation of employees	Increases in personnel remuneration in line with restructuring	4 000
			<b>Programme 5</b>		<b>100</b>
			Households	Leave gratuities	100
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
<b>Total</b>		<b>(276 417)</b>	<b>276 417</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Declared unspent funds – R35.000 million

Programme 2: Curriculum Policy, Support and Monitoring

R35.000 million in unspent funds has been declared on the expanded public works programme Kha Ri Gude incentive grant under operating payments. The department will not meet the employment targets required for claiming the incentive, as it expects fewer learners to enrol because the programme ends in 2016/17.

## Other adjustments – R1.041 million

### Funds shifted between votes

Programme 4: Planning, Information and Assessment

R1.041 million has been transferred to the Department of Health as a contribution for the hosting of the 21<sup>st</sup> International Aids Conference in 2016.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
Administration	360 297	201 653	56.0	386 475	107.3	388 393	1.7	205 857	53.0	
Curriculum Policy, Support and Monitoring	1 844 922	806 475	43.7	1 797 740	97.4	1 902 207	8.5	488 959	25.7	
Teachers, Education Human Resources and Institutional Development	1 163 353	887 727	76.3	1 163 548	100.0	1 160 042	5.2	987 642	85.1	
Planning, Information and Assessment	11 974 032	6 964 639	58.2	11 511 906	96.1	12 621 392	56.3	6 399 176	50.7	
Educational Enrichment Services	5 943 822	3 433 369	57.8	5 936 456	99.9	6 341 427	28.3	3 630 067	57.2	
<b>Total</b>	<b>21 286 426</b>	<b>12 293 863</b>	<b>57.8</b>	<b>20 796 125</b>	<b>97.7</b>	<b>22 413 461</b>	<b>100.0</b>	<b>11 711 701</b>	<b>52.3</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>2 528 672</b>	<b>1 142 168</b>	<b>45.2</b>	<b>2 589 312</b>	<b>102.4</b>	<b>2 580 720</b>	<b>11.5</b>	<b>800 093</b>	<b>31.0</b>	
Compensation of employees	439 948	223 300	50.8	439 472	99.9	471 235	2.1	223 864	47.5	
Goods and services	2 041 200	918 868	45.0	2 102 316	103.0	2 063 164	9.2	576 229	27.9	
Interest and rent on land	47 524	–	–	47 524	100.0	46 321	0.2	–	–	

2016 Adjusted Estimates of National Expenditure

Economic classification	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
<b>Transfers and subsidies</b>	<b>16 810 139</b>	<b>10 451 483</b>	<b>62.2</b>	<b>16 818 562</b>	<b>100.1</b>	<b>17 839 114</b>	<b>79.6</b>	<b>10 607 481</b>	<b>59.5</b>	
Provinces and municipalities	15 631 771	9 541 034	61.0	15 631 771	100.0	16 586 230	74.0	9 597 654	57.9	
Departmental agencies and accounts	1 103 974	849 219	76.9	1 104 391	100.0	1 162 484	5.2	968 920	83.3	
Foreign governments and international organisations	13 342	-	-	20 998	157.4	17 314	0.1	-	-	
Non-profit institutions	60 055	60 055	100.0	60 055	100.0	72 178	0.3	40 000	55.4	
Households	997	1 175	117.9	1 347	135.1	908	-	907	99.9	
<b>Payments for capital assets</b>	<b>1 947 615</b>	<b>700 212</b>	<b>36.0</b>	<b>1 387 737</b>	<b>71.3</b>	<b>1 993 627</b>	<b>8.9</b>	<b>303 838</b>	<b>15.2</b>	
Buildings and other fixed structures	1 940 535	697 198	35.9	1 374 761	70.8	1 987 023	8.9	301 962	15.2	
Machinery and equipment	6 950	3 014	43.4	12 976	186.7	6 594	-	1 876	28.5	
Software and other intangible assets	130	-	-	-	-	10	-	-	-	
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>514</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>289</b>	<b>-</b>	
<b>Total</b>	<b>21 286 426</b>	<b>12 293 863</b>	<b>57.8</b>	<b>20 796 125</b>	<b>97.7</b>	<b>22 413 461</b>	<b>100.0</b>	<b>11 711 701</b>	<b>52.3</b>	

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 97.7 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R11.7 billion, or 52.3 per cent of the adjusted appropriation of R22.4 billion. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 was lower by R582.2 million. This was mainly due to delays to the start of the Kha Ri Gude programme under goods and services in the *Curriculum Policy, Support and Monitoring* programme, and slow spending of the school infrastructure backlogs grant under buildings and other fixed structures in *Planning, Information and Assessment* programme, mainly due to delays in finalising the rationalisation and the merging of schools in the Eastern Cape.

### Departmental receipts

	2015/16 Audited outcome					2016/17 Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>12 067</b>	<b>6 659</b>	<b>55.2</b>	<b>18 254</b>	<b>151.3</b>	<b>7 081</b>	<b>16 001</b>	<b>100.0</b>	<b>7 823</b>	<b>48.9</b>
Sales of goods and services produced by department	2 037	1 438	70.6	2 686	131.9	2 081	1 831	11.4	1 143	62.4
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	-	170	1.1	150	88.2
Interest, dividends and rent on land	10 000	5 211	52.1	10 121	101.2	5 000	13 767	86.0	6 300	45.8
Sales of capital assets	-	-	-	22	-	-	-	-	-	-
Transactions in financial assets and liabilities	30	10	33.3	5 425	18 083.3	-	233	1.5	230	98.7
<b>Total</b>	<b>12 067</b>	<b>6 659</b>	<b>55.2</b>	<b>18 254</b>	<b>151.3</b>	<b>7 081</b>	<b>16 001</b>	<b>100.0</b>	<b>7 823</b>	<b>48.9</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R7.8 million, or 48.9 per cent of the adjusted revenue estimate of R16 million for the year. This revenue was R1.2 million higher than the same period in 2015/16. It has exceeded the budget estimate for income from interest for 2016/17, mainly due to higher interest received on advanced payments to implementing agents for the school infrastructure backlogs grant, where implementation delays have resulted in slow spending.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	228	-	-	228	228
Employee social benefits	-	-	-	228	-	-	228	228
<b>Curriculum Policy, Support and Monitoring</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	149	-	-	149	149
Employee social benefits	-	-	-	149	-	-	149	149
<b>Teachers, Education Human Resources and Institutional Development</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	89	-	-	89	89
Employee social benefits	-	-	-	89	-	-	89	89
<b>Planning, Information and Assessment</b>								
<b>Provinces and municipalities</b>								
<b>Provinces</b>								
<b>Provincial Revenue Funds</b>								
<b>Capital</b>	9 613 692	-	177 098	142 492	-	-	319 590	9 933 282
Education infrastructure grant	9 613 692	-	177 098	142 492	-	-	319 590	9 933 282
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	342	-	-	342	342
Employee social benefits	-	-	-	342	-	-	342	342
<b>Educational Enrichment Services</b>								
<b>Provinces and municipalities</b>								
<b>Provinces</b>								
<b>Provincial Revenue Funds</b>								
<b>Current</b>	6 006 012	-	1 845	51 798	-	-	53 643	6 059 655
National school nutrition programme grant	6 006 012	-	1 845	51 798	-	-	53 643	6 059 655
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	100	-	-	100	100
Employee social benefits	-	-	-	100	-	-	100	100

### Summary of changes to conditional grants: Provinces

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Planning, Information and Assessment</b>	9 613 692	-	177 098	142 492	-	-	319 590	9 933 282
Education infrastructure grant	9 613 692	-	177 098	142 492	-	-	319 590	9 933 282
<b>Educational Enrichment Services</b>	6 236 861	-	1 845	51 798	-	-	53 643	6 290 504
National school nutrition programme grant	6 006 012	-	1 845	51 798	-	-	53 643	6 059 655



# Vote 15

## Higher Education and Training

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>49 188 279</b>	<b>49 188 279</b>	-	-
<b>of which:</b>				
Current payments	8 215 156	7 948 286	(266 870)	-
Transfers and subsidies	40 965 418	41 232 288	-	266 870
Payments for capital assets	7 705	7 705	-	-
<b>Direct charge against the National Revenue Fund</b>	<b>17 639 595</b>	<b>15 462 170</b>	<b>(2 177 425)</b>	-
Executive authority	Minister of Higher Education and Training			
Accounting officer	Director-General of Higher Education and Training			
Website address	www.dhet.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of students enrolled in higher education institutions per year	University Education	Outcome 5: A skilled and capable workforce to support an inclusive growth path	1 020 000	985 212 <sup>1</sup>	-
Proportion of higher education enrolments in science, engineering and technology; business; and the humanities	University Education		30:28:42	30:28:42 <sup>1</sup>	-
Number of doctoral graduates per year	University Education		2 200	2 530 <sup>1</sup>	-
Number of postgraduate graduates per year	University Education		51 100	51 051 <sup>1</sup>	-
Number of monitoring and evaluation reports on higher education produced and submitted for approval per year	University Education		12	1	-
Number of headcount enrolments in technical and vocational education and training colleges per year	Technical and Vocational Education and Training		950 000	580 719	-
Number of full time equivalents enrolled in technical and vocational education and training institutions per year	Technical and Vocational Education and Training		421 100	230 080	-
Number of teaching and learning support plans for technical and vocational education and training developed and approved per year	Technical and Vocational Education and Training		1	1	-

2016 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Turnaround time for certificates issued to qualifying students after examinations <sup>2</sup>	Technical and Vocational Education and Training	Outcome 5: A skilled and capable workforce to support an inclusive growth path	3 months	0	-
Number of new artisans registered for training per year	Skills Development		30 750	12 102	-
Number of artisan learners competent per year	Skills Development		21 110	5 330	-
Number of work based learning opportunities created per year	Skills Development		120 000	24 369	-
Number of technical and vocational education and training colleges that entered into partnership agreements with sector education and training authorities per year	Skills Development		50	38	-
Number of headcount enrolments in community education and training colleges per year	Community Education and Training		310 000	279 954	-
Certification rate in the general education and training certificate	Community Education and Training		35%	- <sup>3</sup>	-

1. Not verified. Audited data for the 2015 academic year will only be available from universities by the end of October 2016.

2. This was adopted to meet the specific, measurable, achievable, relevant and time bound criteria from government's 2014-2019 medium term strategic framework indicator: 'Certificates issued to qualifying students within 3 months after examinations'.

3. Data will only be available in the fourth quarter of the year.

### Mid-year progress

The targets for headcount and full-time equivalent enrolments at technical and vocational education and training colleges are unlikely to be achieved by the end of 2016/17, as the targets were set without commensurate funding being available to accommodate rapid increases in enrolments. The three-month timeframe for the release of certificates to qualifying students after the publication of examination results was not met due to persistent data processing errors, which the State Information Technology Agency is still unable to fix.

The department is on track to achieve the targets set for reports on monitoring and evaluation of higher education; the process of validating 11 reports – which will be delivered by the end of the year – is currently under way. The target for work based learning opportunities created is likely to be met within the remaining six months of the year, as higher numbers are recorded in the last two quarters of the year. Regarding new artisans registered for training and the number of artisan learners competent per year, the department is setting up processes for meeting the annual targets, such as integrating the data available at the national artisan moderating body for artisans with the data at the Indlela trade test centre, as it had previously been erroneously omitted.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	373 667	-	-	(929)	-	-	(929)	372 738
Planning, Policy and Strategy	71 545	-	-	39	-	-	39	71 584
University Education	39 531 603	-	-	890	-	-	890	39 532 493
Technical and Vocational Education and Training	6 917 191	-	-	43 053	-	-	43 053	6 960 244
Skills Development	224 534	-	-	(43 091)	-	-	(43 091)	181 443
Community Education and Training	2 069 739	-	-	38	-	-	38	2 069 777
<b>Subtotal</b>	<b>49 188 279</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49 188 279</b>

R thousand	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Direct charge against the National Revenue Fund</b>	<b>17 639 595</b>	-	-	-	-	(2 177 425)	(2 177 425)	<b>15 462 170</b>	
Sector education and training authorities	14 112 453	-	-	-	-	(1 741 940)	(1 741 940)	12 370 513	
National Skills Fund	3 527 142	-	-	-	-	(435 485)	(435 485)	3 091 657	
<b>Total</b>	<b>66 827 874</b>	-	-	-	-	(2 177 425)	(2 177 425)	<b>64 650 449</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>8 215 156</b>	-	-	(266 870)	-	-	(266 870)	<b>7 948 286</b>	
Compensation of employees	7 839 886	-	-	(266 174)	-	-	(266 174)	7 573 712	
Goods and services	375 270	-	-	(696)	-	-	(696)	374 574	
<b>Transfers and subsidies</b>	<b>58 605 013</b>	-	-	266 870	-	(2 177 425)	(1 910 555)	<b>56 694 458</b>	
Departmental agencies and accounts	29 255 650	-	-	(330)	-	(2 177 425)	(2 177 755)	27 077 895	
Higher education institutions	27 964 818	-	-	-	-	-	-	27 964 818	
Foreign governments and international organisations	3 323	-	-	(427)	-	-	(427)	2 896	
Non-profit institutions	1 381 222	-	-	260 000	-	-	260 000	1 641 222	
Households	-	-	-	7 627	-	-	7 627	7 627	
<b>Payments for capital assets</b>	<b>7 705</b>	-	-	-	-	-	-	<b>7 705</b>	
Machinery and equipment	7 705	-	-	-	-	-	-	7 705	
<b>Total</b>	<b>66 827 874</b>	-	-	-	-	(2 177 425)	(2 177 425)	<b>64 650 449</b>	

**Programme 1: Administration**

R thousand	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Subprogramme</b>									
Ministry	28 665	-	-	4 595	-	-	4 595	33 260	
Department Management	46 703	-	-	224	-	-	224	46 927	
Corporate Services	150 870	-	-	(2 203)	-	-	(2 203)	148 667	
Office of the Chief Financial Officer	84 789	-	-	(3 545)	-	-	(3 545)	81 244	
Internal Audit	9 233	-	-	-	-	-	-	9 233	
Office Accommodation	53 407	-	-	-	-	-	-	53 407	
<b>Total</b>	<b>373 667</b>	-	-	(929)	-	-	(929)	<b>372 738</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>368 393</b>	-	-	(1 048)	-	-	(1 048)	<b>367 345</b>	
Compensation of employees	203 398	-	-	-	-	-	-	203 398	
Goods and services	164 995	-	-	(1 048)	-	-	(1 048)	163 947	
<b>Transfers and subsidies</b>	<b>330</b>	-	-	(191)	-	-	(191)	<b>139</b>	
Departmental agencies and accounts	330	-	-	(330)	-	-	(330)	-	
Households	-	-	-	139	-	-	139	139	
<b>Payments for capital assets</b>	<b>4 944</b>	-	-	310	-	-	310	<b>5 254</b>	
Machinery and equipment	4 944	-	-	310	-	-	310	5 254	
<b>Total</b>	<b>373 667</b>	-	-	(929)	-	-	(929)	<b>372 738</b>	

**Programme 2: Planning, Policy and Strategy**

R thousand	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Subprogramme</b>									
Programme Management: Planning, Policy and Strategy	3 283	-	-	-	-	-	-	3 283	
Human Resource Development, Strategic Planning and Coordination	16 910	-	-	104	-	-	104	17 014	
Planning, Information, Monitoring and Evaluation Coordination	17 862	-	-	(21)	-	-	(21)	17 841	
International Relations	13 705	-	-	(400)	-	-	(400)	13 305	
Legal and Legislative Services	14 539	-	-	-	-	-	-	14 539	
Social Inclusion in Education	5 246	-	-	356	-	-	356	5 602	
<b>Total</b>	<b>71 545</b>	-	-	39	-	-	39	<b>71 584</b>	

**Programme 2: Planning, Policy and Strategy (continued)**

Economic classification	2016/17							
	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>68 012</b>	–	–	<b>189</b>	–	–	<b>189</b>	<b>68 201</b>
Compensation of employees	58 256	–	–	–	–	–	–	58 256
Goods and services	9 756	–	–	189	–	–	189	9 945
<b>Transfers and subsidies</b>	<b>3 323</b>	–	–	<b>(421)</b>	–	–	<b>(421)</b>	<b>2 902</b>
Foreign governments and international organisations	3 323	–	–	(427)	–	–	(427)	2 896
Households	–	–	–	6	–	–	6	6
<b>Payments for capital assets</b>	<b>210</b>	–	–	<b>271</b>	–	–	<b>271</b>	<b>481</b>
Machinery and equipment	210	–	–	271	–	–	271	481
<b>Total</b>	<b>71 545</b>	–	–	<b>39</b>	–	–	<b>39</b>	<b>71 584</b>

**Programme 3: University Education**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: University Education	4 699	–	–	(29)	–	–	(29)	4 670
University - Academic Planning and Management	11 507 448	–	–	1 049	–	–	1 049	11 508 497
University - Financial Planning and Information Systems	12 724	–	–	(130)	–	–	(130)	12 594
University - Policy and Development	27 627	–	–	–	–	–	–	27 627
Teacher Education	14 287	–	–	–	–	–	–	14 287
University Subsidies	27 964 818	–	–	–	–	–	–	27 964 818
<b>Total</b>	<b>39 531 603</b>	–	–	<b>890</b>	–	–	<b>890</b>	<b>39 532 493</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>67 817</b>	–	–	<b>818</b>	–	–	<b>818</b>	<b>68 635</b>
Compensation of employees	61 094	–	–	–	–	–	–	61 094
Goods and services	6 723	–	–	818	–	–	818	7 541
<b>Transfers and subsidies</b>	<b>39 463 487</b>	–	–	–	–	–	–	<b>39 463 487</b>
Departmental agencies and accounts	11 490 497	–	–	–	–	–	–	11 490 497
Higher education institutions	27 964 818	–	–	–	–	–	–	27 964 818
Non-profit institutions	8 172	–	–	–	–	–	–	8 172
<b>Payments for capital assets</b>	<b>299</b>	–	–	<b>72</b>	–	–	<b>72</b>	<b>371</b>
Machinery and equipment	299	–	–	72	–	–	72	371
<b>Total</b>	<b>39 531 603</b>	–	–	<b>890</b>	–	–	<b>890</b>	<b>39 532 493</b>

**Programme 4: Technical and Vocational Education and Training**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: Technical and Vocational Education and Training	9 665	–	–	(5 900)	–	–	(5 900)	3 765
Technical and Vocational Education and Training System Planning and Institutional Support	6 614 734	–	–	47 662	–	–	47 662	6 662 396
Programmes and Qualifications	11 765	–	–	(1 209)	–	–	(1 209)	10 556
National Examination and Assessment	276 046	–	–	2 500	–	–	2 500	278 546
Financial Planning	4 981	–	–	–	–	–	–	4 981
<b>Total</b>	<b>6 917 191</b>	–	–	<b>43 053</b>	–	–	<b>43 053</b>	<b>6 960 244</b>
<b>Economic Classification</b>								
<b>Current payments</b>	<b>5 639 232</b>	–	–	<b>(266 391)</b>	–	–	<b>(266 391)</b>	<b>5 372 841</b>
Compensation of employees	5 520 998	–	–	(266 174)	–	–	(266 174)	5 254 824
Goods and services	118 234	–	–	(217)	–	–	(217)	118 017
<b>Transfers and subsidies</b>	<b>1 277 365</b>	–	–	<b>309 237</b>	–	–	<b>309 237</b>	<b>1 586 602</b>
Departmental agencies and accounts	2 517	–	–	43 053	–	–	43 053	45 570
Non-profit institutions	1 274 848	–	–	260 000	–	–	260 000	1 534 848
Households	–	–	–	6 184	–	–	6 184	6 184
<b>Payments for capital assets</b>	<b>594</b>	–	–	<b>207</b>	–	–	<b>207</b>	<b>801</b>
Machinery and equipment	594	–	–	207	–	–	207	801
<b>Total</b>	<b>6 917 191</b>	–	–	<b>43 053</b>	–	–	<b>43 053</b>	<b>6 960 244</b>

**Programme 5: Skills Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: Skills Development	2 057	-	-	150	-	-	150	2 207
SETA Coordination	190 843	-	-	(43 083)	-	-	(43 083)	147 760
National Skills Development Services	8 496	-	-	(158)	-	-	(158)	8 338
Quality Development and Promotion	23 138	-	-	-	-	-	-	23 138
<b>Total</b>	<b>224 534</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>181 443</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>102 248</b>	<b>-</b>	<b>-</b>	<b>(56)</b>	<b>-</b>	<b>-</b>	<b>(56)</b>	<b>102 192</b>
Compensation of employees	90 347	-	-	-	-	-	-	90 347
Goods and services	11 901	-	-	(56)	-	-	(56)	11 845
<b>Transfers and subsidies</b>	<b>121 956</b>	<b>-</b>	<b>-</b>	<b>(42 995)</b>	<b>-</b>	<b>-</b>	<b>(42 995)</b>	<b>78 961</b>
Departmental agencies and accounts	121 956	-	-	(43 091)	-	-	(43 091)	78 865
Households	-	-	-	96	-	-	96	96
<b>Payments for capital assets</b>	<b>330</b>	<b>-</b>	<b>-</b>	<b>(40)</b>	<b>-</b>	<b>-</b>	<b>(40)</b>	<b>290</b>
Machinery and equipment	330	-	-	(40)	-	-	(40)	290
<b>Total</b>	<b>224 534</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>181 443</b>

**Programme 6: Community Education and Training**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: Community Education and Training	2 863	-	-	10	-	-	10	2 873
Community Education and Training Colleges Systems Planning, Institutional Development and Support	1 883 545	-	-	10	-	-	10	1 883 555
Financial Planning	166 297	-	-	3	-	-	3	166 300
Education and Training and Development Support	17 034	-	-	15	-	-	15	17 049
<b>Total</b>	<b>2 069 739</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>2 069 777</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 969 454</b>	<b>-</b>	<b>-</b>	<b>(382)</b>	<b>-</b>	<b>-</b>	<b>(382)</b>	<b>1 969 072</b>
Compensation of employees	1 905 793	-	-	-	-	-	-	1 905 793
Goods and services	63 661	-	-	(382)	-	-	(382)	63 279
<b>Transfers and subsidies</b>	<b>98 957</b>	<b>-</b>	<b>-</b>	<b>1 240</b>	<b>-</b>	<b>-</b>	<b>1 240</b>	<b>100 197</b>
Departmental agencies and accounts	755	-	-	-	-	-	-	755
Non-profit institutions	98 202	-	-	-	-	-	-	98 202
Households	-	-	-	1 240	-	-	1 240	1 240
<b>Payments for capital assets</b>	<b>1 328</b>	<b>-</b>	<b>-</b>	<b>(820)</b>	<b>-</b>	<b>-</b>	<b>(820)</b>	<b>508</b>
Machinery and equipment	1 328	-	-	(820)	-	-	(820)	508
<b>Total</b>	<b>2 069 739</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>2 069 777</b>

**Direct charge against the National Revenue Fund**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Sector education and training authorities	14 112 453	-	-	-	-	(1 741 940)	(1 741 940)	12 370 513
National Skills Fund	3 527 142	-	-	-	-	(435 485)	(435 485)	3 091 657
<b>Total</b>	<b>17 639 595</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 177 425)</b>	<b>(2 177 425)</b>	<b>15 462 170</b>
<b>Economic classification</b>								
<b>Transfers and subsidies</b>	<b>17 639 595</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 177 425)</b>	<b>(2 177 425)</b>	<b>15 462 170</b>
Departmental agencies and accounts	17 639 595	-	-	-	-	(2 177 425)	(2 177 425)	15 462 170
<b>Total</b>	<b>17 639 595</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 177 425)</b>	<b>(2 177 425)</b>	<b>15 462 170</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

#### Programmes

1. Administration
2. Planning, Policy and Strategy
3. University Education
4. Technical and Vocational Education and Training
5. Skills Development
6. Community Education and Training

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(1 762)</b>	<b>Programme 1</b>		<b>476</b>
Goods and services	Cost containment measures effected on items such as computer services, advertising, travel and subsistence, and stationery	(337)	Machinery and equipment	New office furniture and equipment, and the upgrading of office space due to higher personnel numbers	337
	Cost containment measures effected on computer services, advertising, travel and subsistence, and stationery	(139)	Households	Social benefits	139
	Cost containment measures effected on computer services, stationery, travel and subsistence	(39)	<b>Programme 2</b>		<b>39</b>
	Cost containment measures effected on computer services, stationery, advertising, and travel and subsistence	(890)	Machinery and equipment	Upgrading of old computer equipment	39
			<b>Programme 3</b>		<b>890</b>
			Goods and services	Agency support and outsourced services not originally budgeted for	890
Departmental agencies and accounts	Reallocation of the transfer payment to the Public Service Sector Education and Training Authority in line with National Treasury's instruction that departments no longer need to make the transfer payment <sup>1</sup>	(330)	<b>Programme 1</b>		<b>357</b>
			Goods and services	Consumable supplies, minor assets, agency support, and outsourced services not originally budgeted for	330
				Policy and procedure on incapacity and ill-health retirement	
Machinery and equipment	Cost containment measures effected on equipment <sup>1</sup>	(27)	Goods and services	Minor assets not originally budgeted for	27
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>0.2%</b>			
<b>Programme 2</b>		<b>(660)</b>	<b>Programme 2</b>		<b>660</b>
Goods and services	Cost containment measures effected on communication, advertising, and travel and subsistence	(222)	Machinery and equipment	Upgrading of old computer equipment	222
	Cost containment measures effected on communication	(6)	Households	Social benefits	6
Machinery and equipment	Cost containment measures effected on equipment <sup>1</sup>	(5)	Goods and services	Minor assets, and consumable supplies not originally budgeted for	5
Foreign governments and international organisations	Reduced spending on the India-Brazil,-South Africa higher education exchange programme as no claims were received <sup>1</sup>	(15)	Machinery and equipment	Upgrading of old computer equipment	15
	Reduced spending on the India-Brazil-South Africa higher education exchange programme as no claims were received <sup>1</sup>	(412)	Goods and services	Venues and facilities, stationery, printing and office supplies, catering, and travel and subsistence not originally budgeted for	412
Shifts within the programme as a percentage of the programme budget		0.9%			
<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 3</b>			<b>Programme 3</b>		
Goods and services	Cost containment measures effected on catering, venues and facilities, advertising, and lease and operating payments	(72)	Machinery and equipment	Upgrading of old computer equipment	72
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%			
<b>Programme 4</b>			<b>Programme 4</b>		
Goods and services	Cost containment measures effected on consultants, catering, communication, venues and facilities, operating payments, and travel and subsistence	(242)	Machinery and equipment	Purchasing of new office furniture and equipment for newly appointed staff, and the upgrading of old computer equipment	242
	Cost containment measures effected on items such as stationery and printing papers, venues and facilities, and travel and subsistence	(10)	Households	Social benefits	10
Machinery and equipment	Cost containment measures on equipment <sup>1</sup>	(35)	Goods and services	Travel and subsistence for oversight visits at technical and vocational education and training colleges Stationery and printing paper for examinations not originally budgeted for	35
Compensation of employees	Vacant posts <sup>1</sup>	(6 174)	Households	Social benefits	6 174
	Remaining funds from approximately 81% of the total technical and vocational education and training budget for compensation of employees <sup>2</sup>	(260 000)	Non-profit institutions	Supplementing the original top slice of subsidies for technical and vocational education and training colleges	260 000
Shifts within the programme as a percentage of the programme budget		3.9%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 5</b>			<b>Programme 5</b>		
Goods and services	Cost containment measures effected on communication, and travel and subsistence	(56)	Households	Social benefits	56
Departmental agencies and accounts	Reallocation of incorrectly allocated funds	(43 053)	<b>Programme 4</b>		<b>43 053</b>
	Reallocation of funds to the community education and training sector	(38)	Departmental agencies and accounts	Reallocation of funds to the technical and vocational education and training sector	43 053
Machinery and equipment	Cost containment measures effected on equipment <sup>1</sup>	(40)	<b>Programme 6</b>		<b>38</b>
			Departmental agencies and accounts	Reallocation of funds to the community education and training sector	38
			<b>Programme 5</b>		<b>40</b>
			Households	Social benefits	40
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		19.2% <sup>2</sup>			
<b>Programme 6</b>			<b>Programme 6</b>		
Goods and services	Cost containment measures effected on venues and facilities, consultants, and travel and subsistence	(382)	Households	Social benefits	382
Machinery and equipment	Cost containment measures effected on equipment <sup>1</sup>	(820)	Households	Social benefits	820
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(313 344)</b>	<b>313 344</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
R thousand									
Administration	359 519	175 200	48.7	346 819	96.5	372 738	0.6	336 477	90.3
Planning, Policy and Strategy	58 253	27 662	47.5	52 019	89.3	71 584	0.1	27 982	39.1
University Education	32 902 234	25 497 894	77.5	32 898 593	100.0	39 532 493	61.1	28 915 521	73.1
Technical and Vocational Education and Training	6 642 393	2 713 090	40.8	6 592 979	99.3	6 960 244	10.8	3 279 676	47.1
Skills Development	206 474	259 512	125.7	216 741	105.0	181 443	0.3	90 178	49.7
Community Education and Training	1 859 897	818 064	44.0	1 836 210	98.7	2 069 777	3.2	858 394	41.5
<b>Subtotal</b>	<b>42 028 770</b>	<b>29 491 422</b>	<b>70.2</b>	<b>41 943 361</b>	<b>99.8</b>	<b>49 188 279</b>	<b>76.1</b>	<b>33 508 228</b>	<b>68.1</b>
<b>Direct charge against the National Revenue Fund</b>	<b>15 800 000</b>	<b>7 502 166</b>	<b>47.5</b>	<b>15 156 433</b>	<b>95.9</b>	<b>15 462 170</b>	<b>23.9</b>	<b>7 127 910</b>	<b>46.1</b>
Sector education and training authorities	12 640 707	6 001 793	47.5	12 125 894	95.9	12 370 513	19.1	5 919 020	47.8
National Skills Fund	3 159 293	1 500 373	47.5	3 030 539	95.9	3 091 657	4.8	1 208 890	39.1
<b>Total</b>	<b>57 828 770</b>	<b>36 993 588</b>	<b>64.0</b>	<b>57 099 794</b>	<b>98.7</b>	<b>64 650 449</b>	<b>100.0</b>	<b>40 636 138</b>	<b>62.9</b>
<b>Economic classification</b>	<b>7 696 183</b>	<b>3 396 160</b>	<b>44.1</b>	<b>7 531 298</b>	<b>97.9</b>	<b>7 948 286</b>	<b>12.3</b>	<b>3 857 338</b>	<b>48.5</b>
<b>Current payments</b>	<b>7 317 155</b>	<b>3 238 811</b>	<b>44.3</b>	<b>7 166 395</b>	<b>97.9</b>	<b>7 573 712</b>	<b>11.7</b>	<b>3 688 540</b>	<b>48.7</b>
Compensation of employees	379 028	157 349	41.5	364 903	96.3	374 574	0.6	168 798	45.1
Goods and services	50 122 232	33 593 556	67.0	49 506 407	98.8	56 694 458	87.7	36 773 907	64.9
<b>Transfers and subsidies</b>	<b>22 505 692</b>	<b>12 608 479</b>	<b>56.0</b>	<b>21 839 390</b>	<b>97.0</b>	<b>27 077 895</b>	<b>41.9</b>	<b>15 599 770</b>	<b>57.6</b>
Departmental agencies and accounts	26 298 016	20 391 795	77.5	26 297 074	100.0	27 964 818	43.3	20 466 723	73.2
Higher education institutions	3 156	2 588	82.0	2 588	82.0	2 896	-	2 648	91.4
Foreign governments and international organisations	1 314 971	590 113	44.9	1 362 040	103.6	1 641 222	2.5	693 825	42.3
Non-profit institutions	397	581	146.3	5 315	1338.8	7 627	-	10 941	143.5
Households	10 355	3 872	37.4	10 187	98.4	7 705	-	4 893	63.5
<b>Payments for capital assets</b>	<b>32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	10 323	3 848	37.3	10 075	97.6	7 705	-	4 893	63.5
Machinery and equipment	-	24	-	112	-	-	-	-	-
Software and other intangible assets	-	-	-	51 902	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>57 828 770</b>	<b>36 993 588</b>	<b>64.0</b>	<b>57 099 794</b>	<b>98.7</b>	<b>64 650 449</b>	<b>100.0</b>	<b>40 636 138</b>	<b>62.9</b>

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 98.7 per cent of the adjusted appropriation. Expenditure in the first six months of 2016/17 was R40.6 billion or 62.9 per cent of the adjusted appropriation of R64.7 billion for the year. In comparison, mid-year expenditure in 2015/16 was R37 billion or 64 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R3.6 billion, or 9.8 per cent.

This was mainly due to: increases in the allocations made to block grants to higher education institutions to compensate them for the loss of income resulting from the 2016 zero per cent fee increase; additional allocations to the National Student Financial Aid Scheme for historical debt relief and support to unfunded continuing and new students; increases in compensation of employees due to the filling of critical vacant positions; additional allocations received from the Department of Public Service and Administration for the transfer of the Public Service Sector Education and Training; and funding for medical students that shifted from the Department of Health to the Department of Higher Education and Training.

## Departmental receipts

	2015/16					2016/17				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15		Apr 15 - Mar 16		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	
Apr 15 - Sep 15		% of adjusted estimate	Apr 15 - Mar 16	% of adjusted estimate	Apr 16 - Sep 16				% of adjusted estimate	
R thousand										
<b>Departmental receipts</b>	<b>14 143</b>	<b>7 615</b>	<b>53.8</b>	<b>15 444</b>	<b>109.2</b>	<b>11 494</b>	<b>37 883</b>	<b>100.0</b>	<b>30 204</b>	<b>79.7</b>
Sales of goods and services produced by department	7 692	4 399	57.2	8 983	116.8	5 485	10 472	27.6	5 396	51.5
Sales of scrap, waste, arms and other used current goods	32	8	25.0	15	46.9	33	-	-	-	-
Interest, dividends and rent on land	3 859	1 930	50.0	4 783	123.9	4 503	2 538	6.7	1 269	50.0
Sales of capital assets	-	-	-	172	-	-	-	-	-	-
Transactions in financial assets and liabilities	2 560	1 278	49.9	1 491	58.2	1 473	24 873	65.7	23 539	94.6
<b>Total</b>	<b>14 143</b>	<b>7 615</b>	<b>53.8</b>	<b>15 444</b>	<b>109.2</b>	<b>11 494</b>	<b>37 883</b>	<b>100.0</b>	<b>30 204</b>	<b>79.7</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R30.2 million, or 79.7 percent of the adjusted revenue estimate of R37.9 million for the year. In comparison, mid-year revenue in 2015/16 was R7.6 million, or 53.8 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R22.6 million, or 296.6 per cent. This was driven mainly by a significant increase in the revenue on financial assets due to the absorption of debts related to the technical and vocational education and training function shift from the previous financial year, and an increase in the number of garnishee orders at technical and vocational education and training colleges, and at community education and training colleges.

## Changes to transfers and subsidies

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

	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
<b>Administration</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>330</b>	-	-	<b>(330)</b>	-	-	<b>(330)</b>	
Education, Training and Development Practices Sector	330	-	-	(330)	-	-	(330)	
Education and Training Authority								
<b>Planning, Policy and Strategy</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>527</b>	-	-	<b>(427)</b>	-	-	<b>(427)</b>	
India-Brazil-South Africa Trilateral Commission	527	-	-	(427)	-	-	(427)	
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>-</b>	-	-	<b>6</b>	-	-	<b>6</b>	
Human Resource Development, Strategic Planning and Co-ordination	-	-	-	6	-	-	6	
<b>Technical and Vocational Education and Training</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>2 517</b>	-	-	<b>43 053</b>	-	-	<b>43 053</b>	
Transfer to sector education and training authorities	2 517	-	-	43 053	-	-	43 053	

## Summary of changes to transfers and subsidies per programme

	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Non-profit institutions</b>								
<b>Current</b>	<b>1 274 848</b>	-	-	<b>260 000</b>	-	-	<b>260 000</b>	<b>1 534 848</b>
Technical and vocational education and training colleges	1 274 848	-	-	260 000	-	-	260 000	1 534 848
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	<b>6 184</b>	-	-	<b>6 184</b>	<b>6 184</b>
Employee social benefits	-	-	-	6 174	-	-	6 174	6 174
Financial planning	-	-	-	10	-	-	10	10
<b>Skills Development</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>98 818</b>	-	-	<b>(43 091)</b>	-	-	<b>(43 091)</b>	<b>55 727</b>
Education, Training and Development Practices Sector Education and Training Authority	98 818	-	-	(43 091)	-	-	(43 091)	55 727
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	<b>96</b>	-	-	<b>96</b>	<b>96</b>
Sector education and training authorities coordination	-	-	-	96	-	-	96	96
<b>Community Education and Training</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>755</b>	-	-	<b>38</b>	-	-	<b>38</b>	<b>793</b>
Sector education and training authorities	755	-	-	38	-	-	38	793
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	<b>1 202</b>	-	-	<b>1 202</b>	<b>1 202</b>
Financial planning	-	-	-	1 202	-	-	1 202	1 202
<b>Direct charge against the National Revenue Fund</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>17 639 595</b>	-	-	-	-	<b>(2 177 425)</b>	<b>(2 177 425)</b>	<b>15 462 170</b>
Sector education and training authorities	14 112 453	-	-	-	-	(1 741 940)	(1 741 940)	12 370 513
National Skills Fund	3 527 142	-	-	-	-	(435 485)	(435 485)	3 091 657

# Vote 16

## Health

### Adjusted budget summary

2016/17				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>38 563 317</b>	<b>38 597 416</b>	<b>-</b>	<b>34 099</b>
<b>of which:</b>				
Current payments	2 304 770	2 341 574	-	36 804
Transfers and subsidies	35 637 020	35 664 565	-	27 545
Payments for capital assets	621 527	590 977	(30 550)	-
Payments for financial assets	-	300	-	300
Executive authority	Minister of Health			
Accounting officer	Director-General of Health			
Website address	www.health.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Tuberculosis new client treatment success rate per year <sup>1</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health	Outcome 2: A long and healthy life for all South Africans	84%	78%	-
Tuberculosis client loss to follow-up rate per year <sup>1</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		5.40%	6.3%	-
Total number of clients remaining on antiretroviral treatment at the end of the year <sup>1</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		4.3 million	3.45 million	-
Percentage of first antenatal visit before 20 weeks of pregnancy per year <sup>1</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		64%	64%	-
Immunisation coverage per year for children under the age of 1 year <sup>1</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		92%	80%	-
Coverage per year for second dose of measles immunisation <sup>1</sup>	HIV and AIDS, Tuberculosis, Maternal and Child Health		84%	95%	-
Infant polymerase chain reaction test positive around 10 weeks rate per year <sup>1</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		1.4%	2%	-
Coverage of cervical cancer screening coverage per year <sup>1</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		62%	57%	-
Coverage per year of first dose human papilloma virus immunisation <sup>1</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		87%	72%	-
Total number of functional ward based outreach teams <sup>1</sup>	Primary Health Care Services		2 000	2 879	-
Percentage of backlog eliminated for blood alcohol tests	Hospitals, Tertiary Health Services and Human Resource Development		100%	31%	-

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Percentage of backlog eliminated for toxicology tests	Hospitals, Tertiary Health Services and Human Resource Development	Outcome 2: A long and healthy life for all South Africans	100%	4%	-
Percentage of food tests completed within targeted turnaround time (30 days for perishable and 60 days for non-perishable) per year	Hospitals, Tertiary Health Services and Human Resource Development		100%	73%	-

1. Only data for the first four months of 2016/17 are currently available. This is due to the data flow policy that provides for a 45-day period after the end of each month for data transmitted from all health facilities to reach the national Department of Health following verification by sub-districts, districts and provinces.

### Mid-year progress

3.45 million patients continued to receive antiretroviral treatment at the end of July 2016. Although lower than anticipated in relation to the target, the number is expected to rise from September 2016 onwards, when the universal test and treat approach is implemented. This method has been proven to significantly reduce the chance of an HIV-positive person passing the virus to others when they are on treatment and their viral loads are undetectable.

In relation to immunisation coverage for children under the age of 1 year, the 80 per cent of children fully immunised against the annual target of 92 per cent is due to the currently prevailing global shortage of the Hexavalent vaccine.

The expanded programme of immunisation has administered the second dose of measles vaccines to 95 per cent of children under 2 years of age and is likely to exceed the target of 84 per cent in 2016/17. This improvement is partly due to a change in the schedule to provide the second dose of measles vaccines to children of 12 months, a change from the original 18 months.

Cervical cancer screening coverage is at 57 per cent and is projected to meet the annual target of 62 per cent in 2016/17. The department will improve efforts to raise awareness among women on the importance of screening.

Round one of the 2016 human papilloma virus vaccination campaign took place in February and March 2016, and a 72 per cent coverage of the first dose was achieved. It is anticipated that the total target of the first dose coverage will be achieved by the end of 2016/17, when data from the second round has been added.

The backlog in blood alcohol tests (post-mortem and ante-mortem) was reduced by the forensic chemistry lab in the first 3 months of 2016/17. Progress on the elimination of the backlog is slow, with the bulk being processed at the Johannesburg laboratory. The department is closely monitoring the performance of all laboratories.

The elimination of the backlog on toxicology tests continues to be slow as some cases cannot be linked to case numbers in the police department. Tests for these cases cannot thus be processed.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	463 464	-	-	(500)	(1 000)	-	(1 500)	461 964	
National Health Insurance, Health Planning and Systems Enablement	559 762	18 858	-	10 000	-	-	28 858	588 620	
HIV and AIDS, Tuberculosis, and Maternal and Child Health	16 018 568	-	-	(10 000)	-	1 041	(8 959)	16 009 609	
Primary Health Care Services	257 839	-	-	-	(1 300)	-	(1 300)	256 539	

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Hospitals, Tertiary Health Services and Human Resource Development	19 573 498	-	-	500	-	-	500	19 573 998
Health Regulation and Compliance Management	1 690 186	-	-	-	(10 000)	26 500	16 500	1 706 686
<b>Total</b>	<b>38 563 317</b>	<b>18 858</b>	<b>-</b>	<b>-</b>	<b>(12 300)</b>	<b>27 541</b>	<b>34 099</b>	<b>38 597 416</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 304 770</b>	<b>18 858</b>	<b>-</b>	<b>4 155</b>	<b>(12 300)</b>	<b>26 091</b>	<b>36 804</b>	<b>2 341 574</b>
Compensation of employees	873 398	-	-	(3 700)	(12 300)	-	(16 000)	857 398
Goods and services	1 431 372	18 858	-	7 855	-	26 091	52 804	1 484 176
<b>Transfers and subsidies</b>	<b>35 637 020</b>	<b>-</b>	<b>-</b>	<b>27 545</b>	<b>-</b>	<b>-</b>	<b>27 545</b>	<b>35 664 565</b>
Provinces and municipalities	33 972 012	-	-	9 000	-	-	9 000	33 981 012
Departmental agencies and accounts	1 494 455	-	-	214	-	-	214	1 494 669
Higher education institutions	3 304	-	-	-	-	-	-	3 304
Foreign governments and international organisations	-	-	-	14 370	-	-	14 370	14 370
Non-profit institutions	167 249	-	-	-	-	-	-	167 249
Households	-	-	-	3 961	-	-	3 961	3 961
<b>Payments for capital assets</b>	<b>621 527</b>	<b>-</b>	<b>-</b>	<b>(32 000)</b>	<b>-</b>	<b>1 450</b>	<b>(30 550)</b>	<b>590 977</b>
Buildings and other fixed structures	471 883	-	-	-	-	-	-	471 883
Machinery and equipment	149 644	-	-	(32 000)	-	1 450	(30 550)	119 094
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>300</b>
<b>Total</b>	<b>38 563 317</b>	<b>18 858</b>	<b>-</b>	<b>-</b>	<b>(12 300)</b>	<b>27 541</b>	<b>34 099</b>	<b>38 597 416</b>

**Programme 1: Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry Management	31 534	-	-	-	-	-	-	31 534
Corporate Services	20 069	-	-	-	-	-	-	20 069
Office Accommodation	206 733	-	-	-	(1 000)	-	(1 000)	205 733
Financial Management	143 695	-	-	-	-	-	-	143 695
Financial Management	61 433	-	-	(500)	-	-	(500)	60 933
<b>Total</b>	<b>463 464</b>	<b>-</b>	<b>-</b>	<b>(500)</b>	<b>(1 000)</b>	<b>-</b>	<b>(1 500)</b>	<b>461 964</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>456 419</b>	<b>-</b>	<b>-</b>	<b>(1 181)</b>	<b>(1 000)</b>	<b>-</b>	<b>(2 181)</b>	<b>454 238</b>
Compensation of employees	192 521	-	-	(371)	(1 000)	-	(1 371)	191 150
Goods and services	263 898	-	-	(810)	-	-	(810)	263 088
<b>Transfers and subsidies</b>	<b>2 594</b>	<b>-</b>	<b>-</b>	<b>585</b>	<b>-</b>	<b>-</b>	<b>585</b>	<b>3 179</b>
Departmental agencies and accounts	2 594	-	-	214	-	-	214	2 808
Households	-	-	-	371	-	-	371	371
<b>Payments for capital assets</b>	<b>4 451</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 451</b>
Machinery and equipment	4 451	-	-	-	-	-	-	4 451
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>96</b>
<b>Total</b>	<b>463 464</b>	<b>-</b>	<b>-</b>	<b>(500)</b>	<b>(1 000)</b>	<b>-</b>	<b>(1 500)</b>	<b>461 964</b>

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

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management	3 184	-	-	-	-	-	-	3 184
Technical Policy and Planning	22 011	-	-	-	-	-	-	22 011
Health Information Management, Monitoring and Evaluation	55 491	18 858	-	-	-	-	18 858	74 349
Sector-wide Procurement	39 550	-	-	-	-	-	-	39 550
Health Financing and National Health Insurance	373 528	-	-	10 000	-	-	10 000	383 528
International Health and Development	65 998	-	-	-	-	-	-	65 998
<b>Total</b>	<b>559 762</b>	<b>18 858</b>	<b>-</b>	<b>10 000</b>	<b>-</b>	<b>-</b>	<b>28 858</b>	<b>588 620</b>

**Programme 2: National Health Insurance, Health Planning and Systems Enablement (continued)**

Economic classification	2016/17							
	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>421 349</b>	<b>18 858</b>	<b>-</b>	<b>25 889</b>	<b>-</b>	<b>-</b>	<b>44 747</b>	<b>466 096</b>
Compensation of employees	97 271	-	-	(89)	-	-	(89)	97 182
Goods and services	324 078	18 858	-	25 978	-	-	44 836	368 914
<b>Transfers and subsidies</b>	<b>110 591</b>	<b>-</b>	<b>-</b>	<b>9 089</b>	<b>-</b>	<b>-</b>	<b>9 089</b>	<b>119 680</b>
Provinces and municipalities	85 227	-	-	9 000	-	-	9 000	94 227
Non-profit institutions	25 364	-	-	-	-	-	-	25 364
Households	-	-	-	89	-	-	89	89
<b>Payments for capital assets</b>	<b>27 822</b>	<b>-</b>	<b>-</b>	<b>(25 000)</b>	<b>-</b>	<b>-</b>	<b>(25 000)</b>	<b>2 822</b>
Machinery and equipment	27 822	-	-	(25 000)	-	-	(25 000)	2 822
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>22</b>
<b>Total</b>	<b>559 762</b>	<b>18 858</b>	<b>-</b>	<b>10 000</b>	<b>-</b>	<b>-</b>	<b>28 858</b>	<b>588 620</b>

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

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management	4 736	-	-	-	-	-	-	4 736
HIV and AIDS	15 744 874	-	-	-	-	1 041	1 041	15 745 915
Tuberculosis	27 370	-	-	-	-	-	-	27 370
Women's Maternal and Reproductive Health	18 924	-	-	-	-	-	-	18 924
Child, Youth and School Health	222 664	-	-	(10 000)	-	-	(10 000)	212 664
<b>Total</b>	<b>16 018 568</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>1 041</b>	<b>(8 959)</b>	<b>16 009 609</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>553 239</b>	<b>-</b>	<b>-</b>	<b>(17 443)</b>	<b>-</b>	<b>1 041</b>	<b>(16 402)</b>	<b>536 837</b>
Compensation of employees	75 779	-	-	(46)	-	-	(46)	75 733
Goods and services	477 460	-	-	(17 397)	-	1 041	(16 356)	461 104
<b>Transfers and subsidies</b>	<b>15 449 467</b>	<b>-</b>	<b>-</b>	<b>14 416</b>	<b>-</b>	<b>-</b>	<b>14 416</b>	<b>15 463 883</b>
Provinces and municipalities	15 290 603	-	-	-	-	-	-	15 290 603
Departmental agencies and accounts	16 711	-	-	-	-	-	-	16 711
Higher education institutions	3 304	-	-	-	-	-	-	3 304
Foreign governments and international organisations	-	-	-	14 370	-	-	14 370	14 370
Non-profit institutions	138 849	-	-	-	-	-	-	138 849
Households	-	-	-	46	-	-	46	46
<b>Payments for capital assets</b>	<b>15 862</b>	<b>-</b>	<b>-</b>	<b>(7 000)</b>	<b>-</b>	<b>-</b>	<b>(7 000)</b>	<b>8 862</b>
Machinery and equipment	15 862	-	-	(7 000)	-	-	(7 000)	8 862
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>27</b>
<b>Total</b>	<b>16 018 568</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>1 041</b>	<b>(8 959)</b>	<b>16 009 609</b>

**Programme 4: Primary Health Care Services**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management	2 994	-	-	-	-	-	-	2 994
District Health Services	26 047	-	-	-	-	-	-	26 047
Communicable Diseases	21 561	-	-	-	-	-	-	21 561
Non-Communicable Diseases	21 598	-	-	-	-	-	-	21 598
Health Promotion and Nutrition	22 723	-	-	-	-	-	-	22 723
Environmental and Port Health Services	162 916	-	-	-	(1 300)	-	(1 300)	161 616
<b>Total</b>	<b>257 839</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 300)</b>	<b>-</b>	<b>(1 300)</b>	<b>256 539</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>252 922</b>	<b>-</b>	<b>-</b>	<b>(1 704)</b>	<b>(1 300)</b>	<b>-</b>	<b>(3 004)</b>	<b>249 918</b>
Compensation of employees	215 633	-	-	(1 690)	(1 300)	-	(2 990)	212 643
Goods and services	37 289	-	-	(14)	-	-	(14)	37 275
<b>Transfers and subsidies</b>	<b>3 036</b>	<b>-</b>	<b>-</b>	<b>1 690</b>	<b>-</b>	<b>-</b>	<b>1 690</b>	<b>4 726</b>
Non-profit institutions	3 036	-	-	-	-	-	-	3 036
Households	-	-	-	1 690	-	-	1 690	1 690
<b>Payments for capital assets</b>	<b>1 881</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 881</b>
Machinery and equipment	1 881	-	-	-	-	-	-	1 881
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>14</b>
<b>Total</b>	<b>257 839</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 300)</b>	<b>-</b>	<b>(1 300)</b>	<b>256 539</b>

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

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Programme Management	3 713	-	-	-	-	-	-	3 713
Health Facilities Infrastructure Management	6 078 821	-	-	-	-	-	-	6 078 821
Tertiary Health Care Planning and Policy	10 851 438	-	-	-	-	-	-	10 851 438
Hospital Management	5 159	-	-	500	-	-	500	5 659
Human Resources for Health	2 500 069	-	-	-	-	-	-	2 500 069
Nursing Services	6 627	-	-	-	-	-	-	6 627
Forensic Chemistry Laboratories	120 533	-	-	-	-	-	-	120 533
Violence, Trauma and EMS	7 138	-	-	-	-	-	-	7 138
<b>Total</b>	<b>19 573 498</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>19 573 998</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>409 592</b>	<b>-</b>	<b>-</b>	<b>239</b>	<b>-</b>	<b>-</b>	<b>239</b>	<b>409 831</b>
Compensation of employees	131 726	-	-	(120)	-	-	(120)	131 606
Goods and services	277 866	-	-	359	-	-	359	278 225
<b>Transfers and subsidies</b>	<b>18 596 182</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>18 596 302</b>
Provinces and municipalities	18 596 182	-	-	-	-	-	-	18 596 182
Households	-	-	-	120	-	-	120	120
<b>Payments for capital assets</b>	<b>567 724</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>567 724</b>
Buildings and other fixed structures	471 883	-	-	-	-	-	-	471 883
Machinery and equipment	95 841	-	-	-	-	-	-	95 841
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141</b>	<b>-</b>	<b>-</b>	<b>141</b>	<b>141</b>
<b>Total</b>	<b>19 573 498</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>19 573 998</b>

**Programme 6: Health Regulation and Compliance Management**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Programme Management	4 062	-	-	-	-	-	-	4 062
Food Control	9 972	-	-	-	-	-	-	9 972
Pharmaceutical Trade and Product Regulation	139 572	-	-	-	(10 000)	26 500	16 500	156 072
Public Entities Management	1 474 937	-	-	-	-	-	-	1 474 937
Compensation Commissioner for Occupational Diseases and Occupational Health	61 643	-	-	-	-	-	-	61 643
<b>Total</b>	<b>1 690 186</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>26 500</b>	<b>16 500</b>	<b>1 706 686</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>211 249</b>	<b>-</b>	<b>-</b>	<b>(1 645)</b>	<b>(10 000)</b>	<b>25 050</b>	<b>13 405</b>	<b>224 654</b>
Compensation of employees	160 468	-	-	(1 384)	(10 000)	-	(11 384)	149 084
Goods and services	50 781	-	-	(261)	-	25 050	24 789	75 570
<b>Transfers and subsidies</b>	<b>1 475 150</b>	<b>-</b>	<b>-</b>	<b>1 645</b>	<b>-</b>	<b>-</b>	<b>1 645</b>	<b>1 476 795</b>
Departmental agencies and accounts	1 475 150	-	-	-	-	-	-	1 475 150
Households	-	-	-	1 645	-	-	1 645	1 645
<b>Payments for capital assets</b>	<b>3 787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 450</b>	<b>1 450</b>	<b>5 237</b>
Machinery and equipment	3 787	-	-	-	-	1 450	1 450	5 237
<b>Total</b>	<b>1 690 186</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>26 500</b>	<b>16 500</b>	<b>1 706 686</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Roll-overs – R18.858 million**

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

R18.858 million has been rolled over for the continuation of the South African demographic health survey.

**Virements and shifts within votes****Programmes**

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

<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(1 181)</b>	<b>Programme 1</b>		<b>310</b>
Goods and services	Cost containment measures effected on external contractors, consumables, stationery, printing and office supplies	(96)	Payments for financial assets	Theft and losses	96
	Cost containment measures effected on minor assets	(214)	Departmental agencies and accounts	Levy for the Health and Welfare Sector Education and Training Authority	214
	Cost containment measures effected on consultants, and business and advisory services	(500)	<b>Programme 5</b>		<b>500</b>
			Goods and services	Travel for the ministerial task team	500
			<b>Programme 1</b>		<b>371</b>
Compensation of employees	Vacant posts <sup>1</sup>	(371)	Households	Leave gratuities	371
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Programme 2</b>		<b>(34 111)</b>	<b>Programme 2</b>		<b>34 111</b>
Goods and services	Cost containment measures effected on advertising, minor assets, and stationery, printing, and office supplies	(22)	Payments for financial assets	Theft and losses	22
	Reallocation of funds from the diagnosis-related group	(9 000)	Provinces and municipalities	IT systems upgrades <sup>1</sup>	9 000
Compensation of employees	Vacant posts <sup>1</sup>	(89)	Households	Leave gratuities	89
Machinery and equipment	Cost containment measures effected on equipment <sup>2</sup>	(25 000)	Goods and services	Contracting under the indirect national health insurance grant <sup>2</sup>	25 000
Shifts within the programme as a percentage of the programme budget		6.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(24 443)</b>	<b>Programme 2</b>		<b>3 000</b>
Goods and services	Cost containment measures effected on vaccines for the human papilloma virus <sup>2</sup>	(3 000)	Goods and services	Contracting under the indirect national health insurance grant <sup>2</sup>	3 000
	Cost containment measures effected on catering, stationery, printing, and office supplies	(27)	<b>Programme 3</b>		<b>14 443</b>
	Reallocation of funds incorrectly allocated in the 2016 ENE <sup>1</sup>	(14 370)	Payments for financial assets	Theft and losses	27
			Foreign governments and international organisations	Donation to the 21 <sup>st</sup> International AIDS Conference <sup>1</sup>	14 370
Compensation of employees	Vacant posts <sup>1</sup>	(46)	Households	Leave gratuities	46
			<b>Programme 2</b>		<b>7 000</b>
Machinery and equipment	Cost containment measures effected on procurement of fridges for health facilities <sup>2</sup>	(7 000)	Goods and services	Contracting under the indirect national health insurance grant <sup>2</sup>	7 000
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(1 704)</b>	<b>Programme 4</b>		<b>1 704</b>
Goods and services	Cost containment measures effected on operating payments	(14)	Payments for financial assets	Theft and losses	14
Compensation of employees	Vacant posts <sup>1</sup>	(1 690)	Households	Leave gratuities	1 690
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 5</b>		<b>(261)</b>	<b>Programme 5</b>		<b>261</b>
Goods and services	Cost containment measures effected on operating leases, rental and hiring, and travel and subsistence	(141)	Payments for financial assets	Theft and losses	141
Compensation of employees	Vacant posts <sup>1</sup>	(120)	Households	Leave gratuities	120
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%			
<b>Programme 6</b>		<b>(1 645)</b>	<b>Programme 6</b>		<b>1 645</b>
Goods and services	Cost containment measures effected on contracting	(261)	Households	Arbitration award to an employee	261
Compensation of employees	Vacant posts <sup>1</sup>	(1 384)	Households	Leave gratuities	1 384
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(63 345)</b>			<b>63 345</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Declared unspent funds – R12.300 million

R12.300 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

Programme 1: Administration

R1 million

Programme 4: Primary Health Care Services

R1.300 million

Programme 6: Health Regulation and Compliance Management

R10 million

## Other adjustments – R27.541 million

### **Funds shifted between votes – R1.041 million**

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

R1.041 million has been transferred from the Department of Basic Education to contribute towards South Africa's co-hosting of the 21st International AIDS Conference in 2016.

### **Self-financing expenditure – R26.500 million**

Programme 6: Health Regulation and Compliance Management

R26.500 million in revenue generated by the Medicines Control Council will be returned from the National Revenue Fund to support the establishment of the South African Health Products Regulatory Authority.

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
R thousand									
Administration	456 578	235 420	51.6	438 501	96.0	461 964	1.2	226 506	49.0
National Health Insurance, Health Planning and Systems Enablement	596 646	205 899	34.5	553 053	92.7	588 620	1.5	300 794	51.1
HIV and AIDS, Tuberculosis, and Maternal and Child Health	14 378 878	7 002 660	48.7	14 179 001	98.6	16 009 609	41.5	7 804 414	48.7
Primary Health Care Services	224 917	99 619	44.3	212 571	94.5	256 539	0.7	108 711	42.4
Hospitals, Tertiary Health Services and Human Resource Development	18 938 242	9 445 989	49.9	19 002 315	100.3	19 573 998	50.7	9 628 319	49.2
Health Regulation and Compliance Management	1 603 875	1 142 793	71.3	1 599 420	99.7	1 706 686	4.4	843 006	49.4
<b>Total</b>	<b>36 199 136</b>	<b>18 132 380</b>	<b>50.1</b>	<b>35 984 861</b>	<b>99.4</b>	<b>38 597 416</b>	<b>100.0</b>	<b>18 911 750</b>	<b>49.0</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 238 308</b>	<b>873 043</b>	<b>39.0</b>	<b>1 933 991</b>	<b>86.4</b>	<b>2 341 574</b>	<b>6.1</b>	<b>1 039 165</b>	<b>44.4</b>
Compensation of employees	774 278	363 111	46.9	750 097	96.9	857 398	2.2	417 111	48.6
Goods and services	1 464 030	509 932	34.8	1 183 894	80.9	1 484 176	3.8	622 054	41.9
<b>Transfers and subsidies</b>	<b>33 496 141</b>	<b>17 091 350</b>	<b>51.0</b>	<b>33 482 153</b>	<b>100.0</b>	<b>35 664 565</b>	<b>92.4</b>	<b>17 593 112</b>	<b>49.3</b>
Provinces and municipalities	31 904 748	15 957 182	50.0	31 904 748	100.0	33 981 012	88.0	16 801 854	49.4
Departmental agencies and accounts	1 417 125	1 050 628	74.1	1 419 422	100.2	1 494 669	3.9	737 303	49.3
Higher education institutions	3 138	-	-	-	-	3 304	-	-	-
Non-profit institutions	171 130	82 570	48.2	155 073	90.6	167 249	0.4	51 526	30.8
Households	-	970	-	2 910	-	3 961	-	2 429	61.3
<b>Payments for capital assets</b>	<b>464 687</b>	<b>167 855</b>	<b>36.1</b>	<b>567 817</b>	<b>122.2</b>	<b>590 977</b>	<b>1.5</b>	<b>279 114</b>	<b>47.2</b>
Buildings and other fixed structures	354 629	150 565	42.5	470 641	132.7	471 883	1.2	269 675	57.1
Machinery and equipment	110 058	12 812	11.6	92 968	84.5	119 094	0.3	9 439	7.9
Software and other intangible assets	-	4 478	-	4 208	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>132</b>	<b>-</b>	<b>900</b>	<b>-</b>	<b>300</b>	<b>-</b>	<b>359</b>	<b>119.7</b>
<b>Total</b>	<b>36 199 136</b>	<b>18 132 380</b>	<b>50.1</b>	<b>35 984 861</b>	<b>99.4</b>	<b>38 597 416</b>	<b>100.0</b>	<b>18 911 750</b>	<b>49.0</b>

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 99.4 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R18.9 billion, or 49 per cent of the adjusted appropriation of R38.6 billion for the year. In comparison, mid-year expenditure in 2015/16 was R18.1 billion, or 50.1 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R779.4 million, or 4.3 per cent. This was mainly due to payments for the distribution of condoms that were procured in 2015/16, the streamlining of payments to health professionals and the payment of several large invoices for health facilities infrastructure under the health facility revitalisation component of the indirect national health insurance grant.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>44 605</b>	<b>29 463</b>	<b>66.1</b>	<b>53 885</b>	<b>120.8</b>	<b>54 860</b>	<b>69 125</b>	<b>100.0</b>	<b>34 548</b>	<b>50.0</b>
Sales of goods and services produced by department	38 860	28 316	72.9	46 052	118.5	51 377	63 867	92.4	31 919	50.0
Sales of scrap, waste, arms and other used current goods	3	-	-	44	1 466.7	3	-	-	-	-
Interest, dividends and rent on land	5 000	580	11.6	6 536	130.7	2 400	3 718	5.4	1 859	50.0
Transactions in financial assets and liabilities	742	567	76.4	1 253	168.9	1 080	1 540	2.2	770	50.0
<b>Total</b>	<b>44 605</b>	<b>29 463</b>	<b>66.1</b>	<b>53 885</b>	<b>120.8</b>	<b>54 860</b>	<b>69 125</b>	<b>100.0</b>	<b>34 548</b>	<b>50.0</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R34.5 million, or 50 per cent of the adjusted revenue estimate of R69.1 million for the year. In comparison, mid-year revenue in 2015/16 was R29.5 million, or 66.1 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R5.1 million, or 17.3 per cent. This was mainly due to revenue collected from pharmacists for the three-yearly renewal of their dispensation licence, under the *National Health Insurance, Health Planning and Systems Enablement* programme.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2016/17							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Adjustments appropriation					Other adjustments		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds				
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>2 594</b>	-	-	<b>214</b>	-	-	<b>214</b>	<b>2 808</b>	
Health and Welfare Sector	2 464	-	-	344	-	-	344	2 808	
Education and Training Authority									
Public Service Sector Education and Training Authority	130	-	-	(130)	-	-	(130)	-	
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>371</b>	-	-	<b>371</b>	<b>371</b>	
Employee social benefits	-	-	-	371	-	-	371	371	
<b>National Health Insurance, Health Planning and Systems Enablement</b>									
<b>Provinces and municipalities</b>									
<b>Provinces</b>									
<b>Provincial Revenue Funds</b>									
<b>Current</b>	<b>85 227</b>	-	-	<b>9 000</b>	-	-	<b>9 000</b>	<b>94 227</b>	
National health insurance grant	85 227	-	-	9 000	-	-	9 000	94 227	
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>89</b>	-	-	<b>89</b>	<b>89</b>	
Employee social benefits	-	-	-	89	-	-	89	89	

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>HIV and AIDS, Tuberculosis, and Maternal and Child Health Foreign governments and international organisations</b>								
Current	-	-	-	14 370	-	-	14 370	14 370
International AIDS Society	-	-	-	14 370	-	-	14 370	14 370
<b>Households</b>								
<b>Social benefits</b>								
Current	-	-	-	46	-	-	46	46
Employee social benefits	-	-	-	46	-	-	46	46
<b>Primary Health Care Services</b>								
<b>Households</b>								
<b>Social benefits</b>								
Current	-	-	-	1 690	-	-	1 690	1 690
Employee social benefits	-	-	-	1 690	-	-	1 690	1 690
<b>Hospitals, Tertiary Health Services and Human Resource Development</b>								
<b>Households</b>								
<b>Social benefits</b>								
Current	-	-	-	120	-	-	120	120
Employee social benefits	-	-	-	120	-	-	120	120
<b>Health Regulation and Compliance Management</b>								
<b>Households</b>								
<b>Social benefits</b>								
Current	-	-	-	1 384	-	-	1 384	1 384
Employee social benefits	-	-	-	1 384	-	-	1 384	1 384
<b>Other transfers to households</b>								
Current	-	-	-	261	-	-	261	261
Employee social benefits	-	-	-	261	-	-	261	261
<b>National Health Insurance, Health Planning and Systems Enablement</b>								
National health insurance grant		-	-	9 000	-	-	9 000	94 227

## Summary of changes to conditional grants: Provinces

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>National Health Insurance, Health Planning and Systems Enablement</b>	85 227	-	-	9 000	-	-	9 000	94 227
National health insurance grant	85 227	-	-	9 000	-	-	9 000	94 227

# Vote 17

## Social Development

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>148 937 729</b>	<b>147 933 229</b>	<b>(1 004 500)</b>	<b>-</b>
<b>of which:</b>				
Current payments	802 307	797 487	(4 820)	-
Transfers and subsidies	148 125 081	147 125 401	(999 680)	-
Payments for capital assets	10 341	10 341	-	-
Executive authority	Minister of Social Development			
Accounting officer	Director-General of Social Development			
Website address	www.dsd.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Total number of old age grant beneficiaries	Social Assistance	Outcome 13: An inclusive and responsive social protection system	3.3 million	3.2 million	-
Total number of war veterans grant beneficiaries	Social Assistance		162	214	-
Total number of disability grant beneficiaries	Social Assistance		1.09 million	1.07 million	-
Total number of child support grant beneficiaries	Social Assistance		12.3 million	12.1 million	-
Total number of foster care grant beneficiaries	Social Assistance		460 830	500 462	-
Total number of care dependency grant beneficiaries	Social Assistance		147 791	143 360	-
Total number of grant-in-aid beneficiaries	Social Assistance		164 756	134 494	-
Percentage of appeals per year adjudicated within 90 days	Social Security Policy and Administration		70% (1 540)	81% (898)	-
Number of youth awarded scholarships into the social service field per year	Welfare Services Policy Development and Implementation Support		4 472	4 752	-
Number of persons working with children screened against the child protection register per year	Welfare Services Policy Development and Implementation Support		50 000	61 245	-
Percentage of non-profit organisations' registration applications processed within 2 months of receipt per year	Social Policy and Integrated Service Delivery		99%	92%	-
Number of vulnerable individuals accessing food through a network of community nutrition and development centres per year	Social Policy and Integrated Service Delivery		415 000	176 505	-

## Mid-year progress

By the end of September 2016, 16.9 million beneficiaries were receiving social grants. The department exceeded its annual target for the screening of persons working with children against the child protection register, with 61 245 persons being screened by the end of the first half of 2016/17. This is because of intensified efforts to reduce the large backlog. Although performance related to the foster care grant seems to be exceeding the annual target, there is generally a decline in the fourth quarter. This is because of the fall-off in the number of beneficiaries, as 18-year-olds are not eligible for the grant unless they are still in school.

All targets except one are expected to be met by the end of the financial year: Due to a number of children being taken off the system in June 2016, following investigations prompted by the auditor general, the uptake of the child support grant has declined by more than anticipated and the number of beneficiaries is therefore not expected to reach 12.3 million by the end of 2016/17.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	322 512	-	-	18 500	(2 500)	-	16 000	338 512
Social Assistance	140 498 691	-	-	-	(1 000 000)	-	(1 000 000)	139 498 691
Social Security Policy and Administration	7 015 500	-	-	(18 500)	-	-	(18 500)	6 997 000
Welfare Services Policy	723 322	-	-	-	(2 000)	-	(2 000)	721 322
Development and Implementation Support	377 704	-	-	-	-	-	-	377 704
Social Policy and Integrated Service Delivery								
<b>Total</b>	<b>148 937 729</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 004 500)</b>	<b>-</b>	<b>(1 004 500)</b>	<b>147 933 229</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>802 307</b>	<b>-</b>	<b>-</b>	<b>(320)</b>	<b>(4 500)</b>	<b>-</b>	<b>(4 820)</b>	<b>797 487</b>
Compensation of employees	458 857	-	-	-	(4 500)	-	(4 500)	454 357
Goods and services	343 450	-	-	(320)	-	-	(320)	343 130
<b>Transfers and subsidies</b>	<b>148 125 081</b>	<b>-</b>	<b>-</b>	<b>320</b>	<b>(1 000 000)</b>	<b>-</b>	<b>(999 680)</b>	<b>147 125 401</b>
Provinces and municipalities	85 500	-	-	-	-	-	-	85 500
Departmental agencies and accounts	7 395 243	-	-	-	-	-	-	7 395 243
Higher education institutions	2 469	-	-	-	-	-	-	2 469
Foreign governments and international organisations	3 970	-	-	320	-	-	320	4 290
Non-profit institutions	113 027	-	-	-	-	-	-	113 027
Households	140 524 872	-	-	-	(1 000 000)	-	(1 000 000)	139 524 872
<b>Payments for capital assets</b>	<b>10 341</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 341</b>
Machinery and equipment	9 840	-	-	-	-	-	-	9 840
Software and other intangible assets	501	-	-	-	-	-	-	501
<b>Total</b>	<b>148 937 729</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 004 500)</b>	<b>-</b>	<b>(1 004 500)</b>	<b>147 933 229</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	33 561	-	-	8 000	-	-	8 000	41 561
Department Management	68 376	-	-	(3 800)	-	-	(3 800)	64 576
Corporate Management	114 266	-	-	10 800	-	-	10 800	125 066
Finance	57 844	-	-	2 000	-	-	2 000	59 844
Internal Audit	15 838	-	-	(500)	(2 500)	-	(3 000)	12 838
Office Accommodation	32 627	-	-	2 000	-	-	2 000	34 627
<b>Total</b>	<b>322 512</b>	<b>-</b>	<b>-</b>	<b>18 500</b>	<b>(2 500)</b>	<b>-</b>	<b>16 000</b>	<b>338 512</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>317 956</b>	<b>-</b>	<b>-</b>	<b>18 500</b>	<b>(2 500)</b>	<b>-</b>	<b>16 000</b>	<b>333 956</b>
Compensation of employees	193 856	-	-	-	(2 500)	-	(2 500)	191 356
Goods and services	124 100	-	-	18 500	-	-	18 500	142 600

**Programme 1: Administration (continued)**

Economic classification	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
<b>Transfers and subsidies</b>	<b>1 803</b>	-	-	-	-	-	-	<b>1 803</b>
Departmental agencies and accounts	1 378	-	-	-	-	-	-	1 378
Households	425	-	-	-	-	-	-	425
<b>Payments for capital assets</b>	<b>2 753</b>	-	-	-	-	-	-	<b>2 753</b>
Machinery and equipment	2 252	-	-	-	-	-	-	2 252
Software and other intangible assets	501	-	-	-	-	-	-	501
<b>Total</b>	<b>322 512</b>	-	-	<b>18 500</b>	<b>(2 500)</b>	-	<b>16 000</b>	<b>338 512</b>

**Programme 2: Social Assistance**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Old Age	58 927 478	-	-	-	-	-	-	58 927 478
War Veterans	3 622	-	-	-	-	-	-	3 622
Disability	20 418 422	-	-	-	(400 000)	-	(400 000)	20 018 422
Foster Care	5 521 995	-	-	-	-	-	-	5 521 995
Care Dependency	2 676 824	-	-	-	-	-	-	2 676 824
Child Support	51 950 579	-	-	-	(600 000)	-	(600 000)	51 350 579
Grant-in-Aid	499 771	-	-	-	-	-	-	499 771
Social Relief of Distress	500 000	-	-	-	-	-	-	500 000
<b>Total</b>	<b>140 498 691</b>	-	-	-	<b>(1 000 000)</b>	-	<b>(1 000 000)</b>	<b>139 498 691</b>
<b>Economic classification</b>								
<b>Transfers and subsidies</b>	<b>140 498 691</b>	-	-	-	<b>(1 000 000)</b>	-	<b>(1 000 000)</b>	<b>139 498 691</b>
Households	140 498 691	-	-	-	(1 000 000)	-	(1 000 000)	139 498 691
<b>Total</b>	<b>140 498 691</b>	-	-	-	<b>(1 000 000)</b>	-	<b>(1 000 000)</b>	<b>139 498 691</b>

**Programme 3: Social Security Policy and Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Social Security Policy Development	57 228	-	-	(6 200)	-	-	(6 200)	51 028
Appeals Adjudication	43 934	-	-	(12 300)	-	-	(12 300)	31 634
Social Grants Administration	6 825 866	-	-	-	-	-	-	6 825 866
Social Grants Fraud Investigations	83 066	-	-	-	-	-	-	83 066
Programme Management	5 406	-	-	-	-	-	-	5 406
<b>Total</b>	<b>7 015 500</b>	-	-	<b>(18 500)</b>	-	-	<b>(18 500)</b>	<b>6 997 000</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>100 687</b>	-	-	<b>(18 820)</b>	-	-	<b>(18 820)</b>	<b>81 867</b>
Compensation of employees	50 683	-	-	-	-	-	-	50 683
Goods and services	50 004	-	-	(18 820)	-	-	(18 820)	31 184
<b>Transfers and subsidies</b>	<b>6 912 606</b>	-	-	<b>320</b>	-	-	<b>320</b>	<b>6 912 926</b>
Departmental agencies and accounts	6 908 932	-	-	-	-	-	-	6 908 932
Higher education institutions	2 000	-	-	-	-	-	-	2 000
Foreign governments and international organisations	1 454	-	-	320	-	-	320	1 774
Households	220	-	-	-	-	-	-	220
<b>Payments for capital assets</b>	<b>2 207</b>	-	-	-	-	-	-	<b>2 207</b>
Machinery and equipment	2 207	-	-	-	-	-	-	2 207
<b>Total</b>	<b>7 015 500</b>	-	-	<b>(18 500)</b>	-	-	<b>(18 500)</b>	<b>6 997 000</b>

**Programme 4: Welfare Services Policy Development and Implementation Support**

Subprogramme		2016/17						
		Adjustments appropriation					Total	Adjusted
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
	Service Standards	29 868	-	-	-	(1 000)	(1 000)	28 868
	Substance Abuse	101 325	-	-	-	-	-	101 325
	Older Persons	20 549	-	-	-	-	-	20 549
	People with Disabilities	29 273	-	-	-	-	-	29 273
	Children	76 288	-	-	-	-	-	76 288
	Families	8 996	-	-	-	-	-	8 996
	Social Crime Prevention and Victim Empowerment	62 597	-	-	-	-	-	62 597
	Youth	14 561	-	-	-	-	-	14 561
	HIV and AIDS	85 220	-	-	-	(1 000)	(1 000)	84 220
	Social Worker Scholarships	290 780	-	-	-	-	-	290 780
	Programme Management	3 865	-	-	-	-	-	3 865
	<b>Total</b>	<b>723 322</b>	-	-	-	<b>(2 000)</b>	<b>(2 000)</b>	<b>721 322</b>
<b>Economic classification</b>								
	<b>Current payments</b>	<b>258 290</b>	-	-	-	<b>(2 000)</b>	<b>(2 000)</b>	<b>256 290</b>
	Compensation of employees	137 075	-	-	-	(2 000)	(2 000)	135 075
	Goods and services	121 215	-	-	-	-	-	121 215
	<b>Transfers and subsidies</b>	<b>460 385</b>	-	-	-	-	-	<b>460 385</b>
	Provinces and municipalities	85 500	-	-	-	-	-	85 500
	Departmental agencies and accounts	290 780	-	-	-	-	-	290 780
	Foreign governments and international organisations	692	-	-	-	-	-	692
	Non-profit institutions	82 746	-	-	-	-	-	82 746
	Households	667	-	-	-	-	-	667
	<b>Payments for capital assets</b>	<b>4 647</b>	-	-	-	-	-	<b>4 647</b>
	Machinery and equipment	4 647	-	-	-	-	-	4 647
	<b>Total</b>	<b>723 322</b>	-	-	-	<b>(2 000)</b>	<b>(2 000)</b>	<b>721 322</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

- Administration
- Social Assistance
- Social Security Policy and Administration
- Welfare Services Policy Development and Implementation Support
- Social Policy and Integrated Service Delivery

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(18 820)</b>	<b>Programme 1</b>		<b>18 500</b>
Goods and services	Cost containment measures effected on consultants	(18 500)	Goods and services	Travel and communication for ministerial outreach programmes	18 500
				Computer services	
			<b>Programme 3</b>		<b>320</b>
	Cost containment measures effected on consultants	(320)	Foreign governments and international organisations	International Social Security Association for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed <sup>1</sup>	320
				International Organisation of Pensions Supervisors for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed <sup>1</sup>	
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.3%			
<b>Total</b>		<b>(18 820)</b>	<b>18 820</b>		

## Declared unspent funds – R1.005 billion

R4.5 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

### Programme 2: Social Assistance

R1 billion in unspent funds has been declared from social grants as a result of slow spending on the child support grant and the disability grant. This is mainly due to a number of children being taken off the system as a result of investigations following queries from the auditor general, leading to a lower than anticipated number of beneficiaries for the child support grant. The slow spending on the disability grant is mainly due to improved efficiency in the assessment of disabilities.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15 appropriation	Apr 15 - Sep 15 % of adjusted	Apr 15 - Mar 16 appropriation	Apr 15 - Mar 16 % of adjusted	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted	
Administration	297 015	160 925	54.2	305 053	102.7	338 512	0.2	188 077	55.6	
Social Assistance	129 818 278	63 746 131	49.1	128 333 376	98.9	139 498 691	94.3	68 791 768	49.3	
Social Security Policy and Administration	6 741 165	3 287 282	48.8	6 716 424	99.6	6 997 000	4.7	3 284 371	46.9	
Welfare Services Policy	677 362	296 606	43.8	676 403	99.9	721 322	0.5	228 424	31.7	
Development and Implementation Support										
Social Policy and Integrated Service Delivery	359 820	163 364	45.4	374 417	104.1	377 704	0.3	224 923	59.6	
<b>Total</b>	<b>137 893 640</b>	<b>67 654 308</b>	<b>49.1</b>	<b>136 405 673</b>	<b>98.9</b>	<b>147 933 229</b>	<b>100.0</b>	<b>72 717 563</b>	<b>49.2</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>776 348</b>	<b>380 221</b>	<b>49.0</b>	<b>774 553</b>	<b>99.8</b>	<b>797 487</b>	<b>0.5</b>	<b>415 287</b>	<b>52.1</b>	
Compensation of employees	423 586	208 206	49.2	419 894	99.1	454 357	0.3	218 999	48.2	
Goods and services	352 762	172 015	48.8	354 659	100.5	343 130	0.2	196 288	57.2	
<b>Transfers and subsidies</b>	<b>137 107 656</b>	<b>67 265 743</b>	<b>49.1</b>	<b>135 621 147</b>	<b>98.9</b>	<b>147 125 401</b>	<b>99.5</b>	<b>72 298 687</b>	<b>49.1</b>	
Provinces and municipalities	47 500	–	–	47 500	100.0	85 500	0.1	–	–	
Departmental agencies and accounts	7 104 706	3 511 243	49.4	7 104 698	100.0	7 395 243	5.0	3 467 897	46.9	
Higher education institutions	1 430	250	17.5	1 467	102.6	2 469	–	–	–	
Foreign governments and international organisations	4 230	1 230	29.1	4 053	95.8	4 290	–	2 011	46.9	
Non-profit institutions	101 979	3 746	3.7	105 904	103.8	113 027	0.1	24 087	21.3	
Households	129 847 811	63 749 274	49.1	128 357 525	98.9	139 524 872	94.3	68 804 692	49.3	
<b>Payments for capital assets</b>	<b>9 636</b>	<b>8 344</b>	<b>86.6</b>	<b>9 973</b>	<b>103.5</b>	<b>10 341</b>	<b>–</b>	<b>3 589</b>	<b>34.7</b>	
Buildings and other fixed structures	–	295	–	295	–	–	–	112	–	
Machinery and equipment	9 160	7 298	79.7	8 910	97.3	9 840	–	3 477	35.3	
Software and other intangible assets	476	751	157.8	768	161.3	501	–	–	–	
<b>Total</b>	<b>137 893 640</b>	<b>67 654 308</b>	<b>49.1</b>	<b>136 405 673</b>	<b>98.9</b>	<b>147 933 229</b>	<b>100.0</b>	<b>72 717 563</b>	<b>49.2</b>	

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 98.9 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R72.7 billion, or 49.2 per cent of the adjusted appropriation of R147.9 billion for the year. In comparison, mid-year expenditure in 2015/16 was R67.7 billion, or 49.1 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R5.1 billion, or 7.5 per cent. This was mainly due to increases in the value of social grants to keep them in line with inflation, and the increased coverage of social grant beneficiaries.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>57 819</b>	<b>254</b>	<b>0.4</b>	<b>23 926</b>	<b>41.4</b>	<b>88 395</b>	<b>49 416</b>	<b>100.0</b>	<b>199</b>	<b>0.4</b>
Sales of goods and services produced by department	318	123	38.7	3	0.9	318	307	0.6	146	47.6
Interest, dividends and rent on land	13 526	7	0.1	12 312	91.0	16 212	18 011	36.4	2	–
Sales of capital assets	–	–	–	–	–	–	300	0.6	–	–
Transactions in financial assets and liabilities	43 975	124	0.3	11 611	26.4	71 865	30 798	62.3	51	0.2
<b>Total</b>	<b>57 819</b>	<b>254</b>	<b>0.4</b>	<b>23 926</b>	<b>41.4</b>	<b>88 395</b>	<b>49 416</b>	<b>100.0</b>	<b>199</b>	<b>0.4</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R199 000, or 0.4 per cent of the adjusted revenue estimate of R49.4 million for the year. In comparison, mid-year revenue in 2015/16 was R254 000, or 0.4 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R55 000, or 21.7 per cent. This was mainly due to the decrease in recoverable revenue of financial assets. The department's main source of revenue is from interest receivable on grant funds as well as debt incurred in respect of fraudulent grants or grant overpayments. Such revenue is paid over from the South African Social Security Agency in the fourth quarter of the financial year.

## Changes to transfers and subsidies

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

R thousand	2016/2017								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Social Assistance</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>72 369 001</b>	–	–	–	(1 000 000)	–	(1 000 000)	<b>71 369 001</b>	
Disability	20 418 422	–	–	–	(400 000)	–	(400 000)	20 018 422	
Child Support	51 950 579	–	–	–	(600 000)	–	(600 000)	51 350 579	
<b>Social Security Policy and Administration</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	<b>1 454</b>	–	–	320	–	–	320	<b>1 774</b>	
International Social Security Association	1 378	–	–	300	–	–	300	1 678	
International Organisation of Pension Supervisors	76	–	–	20	–	–	20	96	

# Vote 18

## Correctional Services

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>21 577 287</b>	<b>21 580 191</b>	<b>-</b>	<b>2 904</b>
<i>of which:</i>				
Current payments	20 453 132	20 453 132	-	-
Transfers and subsidies	131 437	132 091	-	654
Payments for capital assets	992 718	994 968	-	2 250
Executive authority	Minister of Justice and Correctional Services			
Accounting officer	National Commissioner of Correctional Services			
Website address	www.dcs.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first five months of 2016/17 (April to August)	Changed target for 2016/17
Percentage of inmates who escape from correctional centres and remand detention facilities per year	Incarceration		0.024% (38)	0.02% (25)	-
Percentage of inmates injured as a result of reported assaults in correctional centres and remand detention facilities per year	Incarceration		3.7% (5 818)	1.8% (2 912)	-
Percentage of overcrowding in correctional centres and remand detention facilities in excess of approved capacity	Incarceration		32% (38 123)	34% (40 930)	-
Percentage of sentenced offenders subjected to correctional programmes per year	Rehabilitation	Outcome 3: All people in South Africa are and feel safe	72% (76 632)	31.6% (33 341)	-
Percentage of offenders participating in skills development programmes measured against the number of offenders enrolled per year	Rehabilitation		80% (8 306)	94% (10 037)	-
Percentage of inmates on antiretroviral therapy (cumulative)	Care		98% (24 721)	98.5% (24 625)	-
Percentage of parolees without violations per year	Social Reintegration		96% (59 230)	98.9% (51 924)	-
Percentage of probationers without violations per year	Social Reintegration		95% (18 429)	98.7% (16 060)	-

### Mid-year progress

In the first five months of 2016/17, the department managed to keep the percentage of escapes and alleged inmate assaults lower than the annual projections. Security awareness sessions and management involvement to improve adherence to basic security procedures contributed to these achievements.

The underachievement on the target for the percentage of overcrowding in correctional centres and remand detention facilities was due to a higher rate of successful prosecutions, resulting in higher population levels within correctional centres. This will be remedied by the application of available legislative interventions to manage the inmate population. Efforts to enhance the implementation of the multi-pronged strategy to manage overcrowding will also be intensified.

The department exceeded its annual target on the percentage of offenders who participate in skills development programmes, owing to skills training opportunities being made available through partnerships with external service providers and sector education and training authorities, and the improved marketing of technical vocational education training college programmes. The annual targets on parolees and probationers without violations were also exceeded, due to intensive monitoring and supervision of offenders, training and re-training of officials, and consistent monitoring of the performance of community corrections offices.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	3 876 194	-	-	-	-	-	-	3 876 194
Incarceration	13 700 861	-	-	-	-	654	654	13 701 515
Rehabilitation	1 217 339	-	-	-	-	2 250	2 250	1 219 589
Care	1 975 116	-	-	-	-	-	-	1 975 116
Social Reintegration	807 777	-	-	-	-	-	-	807 777
<b>Total</b>	<b>21 577 287</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 904</b>	<b>2 904</b>	<b>21 580 191</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>20 453 132</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20 453 132</b>
Compensation of employees	14 821 416	-	-	-	-	-	-	14 821 416
Goods and services	5 631 716	-	-	-	-	-	-	5 631 716
<b>Transfers and subsidies</b>	<b>131 437</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654</b>	<b>654</b>	<b>132 091</b>
Provinces and municipalities	5 916	-	-	-	-	-	-	5 916
Departmental agencies and accounts	9 900	-	-	-	-	-	-	9 900
Households	115 621	-	-	-	-	654	654	116 275
<b>Payments for capital assets</b>	<b>992 718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 250</b>	<b>2 250</b>	<b>994 968</b>
Buildings and other fixed structures	770 829	-	-	-	-	-	-	770 829
Machinery and equipment	219 678	-	-	-	-	2 250	2 250	221 928
Biological assets	2 211	-	-	-	-	-	-	2 211
<b>Total</b>	<b>21 577 287</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 904</b>	<b>2 904</b>	<b>21 580 191</b>

### Programme 2: Incarceration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Security Operations	6 775 685	-	-	-	-	-	-	6 775 685
Facilities	3 949 612	-	-	-	-	-	-	3 949 612
Remand Detention	684 532	-	-	-	-	-	-	684 532
Offender Management	2 291 032	-	-	-	-	654	654	2 291 686
<b>Total</b>	<b>13 700 861</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654</b>	<b>654</b>	<b>13 701 515</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>12 783 915</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 783 915</b>
Compensation of employees	9 584 610	-	-	-	-	-	-	9 584 610
Goods and services	3 199 305	-	-	-	-	-	-	3 199 305
<b>Transfers and subsidies</b>	<b>113 125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654</b>	<b>654</b>	<b>113 779</b>
Households	113 125	-	-	-	-	654	654	113 779
<b>Payments for capital assets</b>	<b>803 821</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>803 821</b>
Buildings and other fixed structures	770 829	-	-	-	-	-	-	770 829
Machinery and equipment	31 592	-	-	-	-	-	-	31 592
Biological assets	1 400	-	-	-	-	-	-	1 400
<b>Total</b>	<b>13 700 861</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654</b>	<b>654</b>	<b>13 701 515</b>

### Programme 3: Rehabilitation

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Correctional Programmes	50 681	-	-	-	-	-	-	50 681
Offender Development	795 619	-	-	-	-	2 250	2 250	797 869
Psychological, Social and Spiritual Services	371 039	-	-	-	-	-	-	371 039
<b>Total</b>	<b>1 217 339</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 250</b>	<b>2 250</b>	<b>1 219 589</b>

**Programme 3: Rehabilitation (continued)**

Economic classification	2016/17							
	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>1 168 743</b>	–	–	–	–	–	–	<b>1 168 743</b>
Compensation of employees	844 531	–	–	–	–	–	–	844 531
Goods and services	324 212	–	–	–	–	–	–	324 212
<b>Transfers and subsidies</b>	<b>59</b>	–	–	–	–	–	–	<b>59</b>
Households	59	–	–	–	–	–	–	59
<b>Payments for capital assets</b>	<b>48 537</b>	–	–	–	–	<b>2 250</b>	<b>2 250</b>	<b>50 787</b>
Machinery and equipment	47 726	–	–	–	–	2 250	2 250	49 976
Biological assets	811	–	–	–	–	–	–	811
<b>Total</b>	<b>1 217 339</b>	–	–	–	–	<b>2 250</b>	<b>2 250</b>	<b>1 219 589</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Other adjustments – R2.904 million****Self-financing expenditure**

## Programme 2: Incarceration

R1.963 million has been collected from the hiring out of offender labour in 2015/16. R654 249, or one-third of the amount, has been allocated to offender gratuities to supplement funding for this item.

## Programme 3: Rehabilitation

R2.250 million has been paid to the department from the Manufacturing, Engineering and Related Services Sector Education and Training Authority for the acquisition of machinery and equipment to be used in production workshops at the Boksburg and Heidelberg correctional centres.

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16					2016/17				
	Adjusted appropriation	Audited outcome		Actual expenditure		Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 16 - Sep 16	adjusted appropriation	
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation					Apr 16 - Sep 16 % of adjusted appropriation
R thousand										
Administration	3 694 515	1 806 375	48.9	4 015 015	108.7	3 876 194	18.0	1 966 817	50.7	
Incarceration	13 104 175	6 166 760	47.1	12 465 076	95.1	13 701 515	63.5	6 938 517	50.6	
Rehabilitation	1 155 293	510 826	44.2	1 129 139	97.7	1 219 589	5.7	594 839	48.8	
Care	1 796 262	949 758	52.9	2 088 481	116.3	1 975 116	9.2	1 060 660	53.7	
Social Reintegration	838 309	442 538	52.8	890 964	106.3	807 777	3.7	432 933	53.6	
<b>Total</b>	<b>20 588 554</b>	<b>9 876 257</b>	<b>48.0</b>	<b>20 588 675</b>	<b>100.0</b>	<b>21 580 191</b>	<b>100.0</b>	<b>10 995 942</b>	<b>51.0</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>19 192 414</b>	<b>9 453 426</b>	<b>49.3</b>	<b>19 236 312</b>	<b>100.2</b>	<b>20 453 132</b>	<b>94.8</b>	<b>10 403 123</b>	<b>50.9</b>	
Compensation of employees	13 155 094	6 574 351	50.0	13 189 485	100.3	14 821 416	68.7	7 152 837	48.3	
Goods and services	6 037 320	2 879 027	47.7	6 045 168	100.1	5 631 716	26.1	3 249 932	57.7	
Interest and rent on land	–	48	–	1 659	–	–	–	354	–	
<b>Transfers and subsidies</b>	<b>121 443</b>	<b>53 305</b>	<b>43.9</b>	<b>109 225</b>	<b>89.9</b>	<b>132 091</b>	<b>0.6</b>	<b>67 471</b>	<b>51.1</b>	
Provinces and municipalities	5 252	2 163	41.2	5 378	102.4	5 916	–	3 084	52.1	
Departmental agencies and accounts	9 400	–	–	–	–	9 900	–	10 242	103.5	
Public corporations and private enterprises	–	3 249	–	5 935	–	–	–	1 778	–	
Households	106 791	47 893	44.8	97 912	91.7	116 275	0.5	52 367	45.0	

Economic classification	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation/ Total (%)	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
<b>Payments for capital assets</b>	<b>1 274 697</b>	<b>369 526</b>	<b>29.0</b>	<b>1 243 138</b>	<b>97.5</b>	<b>994 968</b>	<b>4.6</b>	<b>523 172</b>	<b>52.6</b>	
Buildings and other fixed structures	801 016	324 228	40.5	857 815	107.1	770 829	3.6	452 386	58.7	
Machinery and equipment	458 671	44 115	9.6	382 300	83.3	221 928	1.0	69 401	31.3	
Biological assets	2 531	1 183	46.7	3 023	119.4	2 211	-	1 385	62.6	
Software and other intangible assets	12 479	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>20 588 554</b>	<b>9 876 257</b>	<b>48.0</b>	<b>20 588 675</b>	<b>100.0</b>	<b>21 580 191</b>	<b>100.0</b>	<b>10 993 766</b>	<b>50.9</b>	

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 100 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R11 billion, or 50.9 per cent of the adjusted appropriation of R21.6 billion for the year. In comparison, mid-year expenditure in 2015/16 was R9.9 billion, or 48 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R1.1 billion, or 11.3 per cent. This was mainly due to increased spending on farming supplies attributed to drought and the effect of inflation on other goods and services items such as fleet and municipal services.

### Departmental receipts

Economic classification	2015/16 Audited outcome					2016/17 Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>124 437</b>	<b>63 550</b>	<b>51.1</b>	<b>129 317</b>	<b>103.9</b>	<b>125 790</b>	<b>130 978</b>	<b>100.0</b>	<b>66 840</b>	<b>51.0</b>
Sales of goods and services produced by department	46 257	25 341	54.8	53 679	116.0	61 460	55 698	42.5	27 841	50.0
Sales of scrap, waste, arms and other used current goods	3 191	1 207	37.8	2 349	73.6	1 440	1 800	1.4	1 070	59.4
Fines, penalties and forfeits	23 273	10 553	45.3	20 087	86.3	16 929	19 300	14.7	10 307	53.4
Interest, dividends and rent on land	100	207	207.0	322	322.0	-	180	0.1	90	50.0
Sales of capital assets	10 124	2 101	20.8	7 305	72.2	1 456	7 500	5.7	3 561	47.5
Transactions in financial assets and liabilities	41 492	24 141	58.2	45 575	109.8	44 505	46 500	35.5	23 971	51.6
<b>Total</b>	<b>124 437</b>	<b>63 550</b>	<b>51.1</b>	<b>129 317</b>	<b>103.9</b>	<b>125 790</b>	<b>130 978</b>	<b>100.0</b>	<b>66 840</b>	<b>51.0</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R66.8 million, or 51 per cent of the adjusted revenue estimate of R131 million for the year. In comparison, mid-year revenue in 2015/16 was R63.6 million, or 51.1 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R3.3 million, or 5.2 per cent. This was mainly due to an increase in revenue generated from sales of goods and services produced by the department, and sales of capital assets.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Incarceration Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	<b>20 725</b>	-	-	-	-	<b>654</b>	<b>654</b>	<b>21 379</b>
Offender gratuity	20 725	-	-	-	-	654	654	21 379



# Vote 19

## Defence and Military Veterans

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>47 169 745</b>	<b>47 236 465</b>	<b>-</b>	<b>66 720</b>
<b>of which:</b>				
Current payments	39 101 098	39 407 071	-	305 973
Transfers and subsidies	7 780 835	7 541 582	(239 253)	-
Payments for capital assets	287 812	287 812	-	-
Executive authority	Minister of Defence and Military Veterans			
Accounting officer	Secretary for Defence			
Website address	www.dod.mil.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Total number of defence attaché offices	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	46	44	-
Number of military skills development members in the system per year	Administration	Outcome 5: A skilled and capable workforce to support an inclusive growth path	4 001	3 837	-
Number of reserve force person days	Administration	Outcome 3: All people in South Africa are and feel safe	2 701 681	1 405 164	-
Percentage compliance with the Southern African Development Community standby force pledge	Force Employment	Outcome 11: Create a better South Africa, a better Africa and a better world	100%	100%	-
Percentage compliance with number of ordered commitments (external operations)	Force Employment Landward Defence Defence Intelligence	Outcome 11: Create a better South Africa, a better Africa and a better world	100% (2)	100% (2)	-
Percentage compliance with number of ordered commitments (internal operations)	Force Employment	Outcome 3: All people in South Africa are and feel safe	100% (4)	100% (4)	-
Number of joint, interdepartmental, interagency and multinational military exercises conducted per year	Force Employment	Outcome 11: Create a better South Africa, a better Africa and a better world	4	1	-
Number of landward sub-units deployed on border safeguarding per year	Force Employment	Outcome 3: All people in South Africa are and feel safe	15	15	-
Number of force employment hours flown per year	Air Defence	Outcome 11: Create a better South Africa, a better Africa and a better world	5 000	2 027	-
Number of hours at sea per year	Maritime Defence	Outcome 11: Create a better South Africa, a better Africa and a better world	12 000	3 902	-

## Mid-year progress

In the first half of 2016/17, the Department of Defence has been in full compliance with the South African Development Community standby force pledge, external as well as internal operations and it is on track to meet most of its performance targets.

Due to a lengthy accreditation process, 44 out of 46 defence attaché offices are open in 2016/17. Approval for the opening of the other two awaits the approval of the Minister of Defence and Military Veterans.

The South African National Defence Force has already deployed all 15 landward sub-units to execute border safeguarding in Limpopo, Mpumalanga, KwaZulu-Natal, Free State, Eastern Cape, Northern Cape and North West Provinces. The deployment was coordinated as a single activity in the first half of the financial year.

The overachievement on military skills development members in the system has been recorded in the first half of the financial year. This is due to the majority of the intake being scheduled for the first half of the financial year. The department is on track to achieve its target by the end of the financial year.

Although 4 joint interdepartmental, interagency and multinational military exercises were planned for the year, only 1 took place during the first half of 2016/17. The exercise planned for August has been postponed to take place in the middle of October 2016.

The South African National Defence Force continued to participate in external operations, as part of one peace support operation of the United Nations in the Democratic Republic of the Congo and to support the Mozambican Defence Force in operations to counter piracy. At only 3 902, the number of hours at sea is low due to delays in the repair and maintenance of vessels but it is expected to increase over the next six months.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	5 151 108	–	–	185 026	–	11 817	196 843	5 347 951
Force Employment	3 899 635	–	–	(227 000)	–	–	(227 000)	3 672 635
Landward Defence	15 651 438	–	–	(90 883)	–	66 720	(24 163)	15 627 275
Air Defence	6 883 527	–	–	53 056	–	–	53 056	6 936 583
Maritime Defence	4 355 880	–	–	30 935	–	–	30 935	4 386 815
Military Health Support	4 416 816	–	–	35 672	–	(11 817)	23 855	4 440 671
Defence Intelligence	900 248	–	–	–	–	–	–	900 248
General Support	5 911 093	–	–	13 194	–	–	13 194	5 924 287
<b>Total</b>	<b>47 169 745</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>66 720</b>	<b>66 720</b>	<b>47 236 465</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>39 101 098</b>	<b>–</b>	<b>–</b>	<b>305 973</b>	<b>–</b>	<b>–</b>	<b>305 973</b>	<b>39 407 071</b>
Compensation of employees	26 884 559	–	–	210 000	–	–	210 000	27 094 559
Goods and services	12 216 539	–	–	95 973	–	–	95 973	12 312 512
<b>Transfers and subsidies</b>	<b>7 780 835</b>	<b>–</b>	<b>–</b>	<b>(305 973)</b>	<b>–</b>	<b>66 720</b>	<b>(239 253)</b>	<b>7 541 582</b>
Provinces and municipalities	87	–	–	–	–	–	–	87
Departmental agencies and accounts	6 622 655	–	–	(305 973)	–	66 720	(239 253)	6 383 402
Public corporations and private enterprises	1 025 387	–	–	–	–	–	–	1 025 387
Non-profit institutions	9 460	–	–	–	–	–	–	9 460
Households	123 246	–	–	–	–	–	–	123 246
<b>Payments for capital assets</b>	<b>287 812</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>287 812</b>
Buildings and other fixed structures	121 935	–	–	–	–	–	–	121 935
Machinery and equipment	164 538	–	–	–	–	–	–	164 538
Specialised military assets	993	–	–	–	–	–	–	993
Software and other intangible assets	346	–	–	–	–	–	–	346
<b>Total</b>	<b>47 169 745</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>66 720</b>	<b>66 720</b>	<b>47 236 465</b>

**Programme 1: Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	72 898	-	-	2 126	-	-	2 126	75 024
Departmental Direction	50 565	-	-	-	-	-	-	50 565
Policy and Planning	118 967	-	-	110	-	-	110	119 077
Financial Services	361 392	-	-	111 107	-	-	111 107	472 499
Human Resources Support Services	753 112	-	-	39 676	-	11 817	51 493	804 605
Legal Services	308 363	-	-	-	-	-	-	308 363
Inspection and Audit Services	145 890	-	-	-	-	-	-	145 890
Acquisition Services	112 742	-	-	-	-	-	-	112 742
Communication Services	45 211	-	-	-	-	-	-	45 211
South African National Defence Force Command and Control	156 358	-	-	(2 343)	-	-	(2 343)	154 015
Religious Services	13 700	-	-	1 323	-	-	1 323	15 023
Defence Reserve Direction	28 850	-	-	492	-	-	492	29 342
Defence Foreign Relations	224 186	-	-	32 535	-	-	32 535	256 721
Office Accommodation	2 161 267	-	-	-	-	-	-	2 161 267
Military Veterans Management	597 607	-	-	-	-	-	-	597 607
<b>Total</b>	<b>5 151 108</b>	<b>-</b>	<b>-</b>	<b>185 026</b>	<b>-</b>	<b>11 817</b>	<b>196 843</b>	<b>5 347 951</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>4 497 608</b>	<b>-</b>	<b>-</b>	<b>185 026</b>	<b>-</b>	<b>11 547</b>	<b>196 573</b>	<b>4 694 181</b>
Compensation of employees	1 860 533	-	-	181 996	-	10 109	192 105	2 052 638
Goods and services	2 637 075	-	-	3 030	-	1 438	4 468	2 641 543
<b>Transfers and subsidies</b>	<b>644 677</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>270</b>	<b>270</b>	<b>644 947</b>
Provinces and municipalities	30	-	-	-	-	-	-	30
Departmental agencies and accounts	618 289	-	-	-	-	-	-	618 289
Non-profit institutions	8 620	-	-	-	-	-	-	8 620
Households	17 738	-	-	-	-	270	270	18 008
<b>Payments for capital assets</b>	<b>8 823</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8 823</b>
Machinery and equipment	8 823	-	-	-	-	-	-	8 823
<b>Total</b>	<b>5 151 108</b>	<b>-</b>	<b>-</b>	<b>185 026</b>	<b>-</b>	<b>11 817</b>	<b>196 843</b>	<b>5 347 951</b>

**Programme 2: Force Employment**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Strategic Direction	186 949	-	-	-	-	-	-	186 949
Operational Direction	307 758	-	-	-	-	-	-	307 758
Special Operations	813 440	-	-	-	-	-	-	813 440
Regional Security	1 484 658	-	-	(227 000)	-	-	(227 000)	1 257 658
Support to the People	1 106 830	-	-	-	-	-	-	1 106 830
<b>Total</b>	<b>3 899 635</b>	<b>-</b>	<b>-</b>	<b>(227 000)</b>	<b>-</b>	<b>-</b>	<b>(227 000)</b>	<b>3 672 635</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 550 880</b>	<b>-</b>	<b>-</b>	<b>(227 000)</b>	<b>-</b>	<b>-</b>	<b>(227 000)</b>	<b>3 323 880</b>
Compensation of employees	2 170 263	-	-	(227 000)	-	-	(227 000)	1 943 263
Goods and services	1 380 617	-	-	-	-	-	-	1 380 617
<b>Transfers and subsidies</b>	<b>254 543</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>254 543</b>
Departmental agencies and accounts	241 405	-	-	-	-	-	-	241 405
Public corporations and private enterprises	8 424	-	-	-	-	-	-	8 424
Households	4 714	-	-	-	-	-	-	4 714
<b>Payments for capital assets</b>	<b>94 212</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94 212</b>
Buildings and other fixed structures	1 160	-	-	-	-	-	-	1 160
Machinery and equipment	92 059	-	-	-	-	-	-	92 059
Specialised military assets	993	-	-	-	-	-	-	993
<b>Total</b>	<b>3 899 635</b>	<b>-</b>	<b>-</b>	<b>(227 000)</b>	<b>-</b>	<b>-</b>	<b>(227 000)</b>	<b>3 672 635</b>

**Programme 3: Landward Defence**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Strategic Direction	510 163	-	-	(39 605)	-	-	(39 605)	470 558
Infantry Capability	6 208 726	-	-	(89 610)	-	66 720	(22 890)	6 185 836
Armour Capability	444 191	-	-	1 282	-	-	1 282	445 473
Artillery Capability	463 044	-	-	6 435	-	-	6 435	469 479
Air Defence Artillery Capability	588 879	-	-	-	-	-	-	588 879
Engineering Capability	708 687	-	-	3 565	-	-	3 565	712 252
Operational Intelligence	252 520	-	-	-	-	-	-	252 520
Command and Control Capability	202 683	-	-	509	-	-	509	203 192
Support Capability	4 424 147	-	-	14 035	-	-	14 035	4 438 182
General Training Capability	585 823	-	-	-	-	-	-	585 823
Signal Capability	1 262 575	-	-	12 506	-	-	12 506	1 275 081
<b>Total</b>	<b>15 651 438</b>	<b>-</b>	<b>-</b>	<b>(90 883)</b>	<b>-</b>	<b>66 720</b>	<b>(24 163)</b>	<b>15 627 275</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>13 167 574</b>	<b>-</b>	<b>-</b>	<b>119 117</b>	<b>-</b>	<b>-</b>	<b>119 117</b>	<b>13 286 691</b>
Compensation of employees	11 295 190	-	-	149 816	-	-	149 816	11 445 006
Goods and services	1 872 384	-	-	(30 699)	-	-	(30 699)	1 841 685
<b>Transfers and subsidies</b>	<b>2 457 933</b>	<b>-</b>	<b>-</b>	<b>(210 000)</b>	<b>-</b>	<b>66 720</b>	<b>(143 280)</b>	<b>2 314 653</b>
Provinces and municipalities	3	-	-	-	-	-	-	3
Departmental agencies and accounts	2 379 140	-	-	(210 000)	-	66 720	(143 280)	2 235 860
Public corporations and private enterprises	38 400	-	-	-	-	-	-	38 400
Households	40 390	-	-	-	-	-	-	40 390
<b>Payments for capital assets</b>	<b>25 931</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 931</b>
Buildings and other fixed structures	132	-	-	-	-	-	-	132
Machinery and equipment	25 779	-	-	-	-	-	-	25 779
Software and other intangible assets	20	-	-	-	-	-	-	20
<b>Total</b>	<b>15 651 438</b>	<b>-</b>	<b>-</b>	<b>(90 883)</b>	<b>-</b>	<b>66 720</b>	<b>(24 163)</b>	<b>15 627 275</b>

**Programme 4: Air Defence**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Strategic Direction	35 219	-	-	64	-	-	64	35 283
Operational Direction	208 681	-	-	-	-	-	-	208 681
Helicopter Capability	763 242	-	-	3 634	-	-	3 634	766 876
Transport and Maritime Capability	672 528	-	-	98 888	-	-	98 888	771 416
Air Combat Capability	1 371 247	-	-	(94 803)	-	-	(94 803)	1 276 444
Operational Support and Intelligence Capability	314 168	-	-	4 424	-	-	4 424	318 592
Command and Control Capability	606 031	-	-	2 862	-	-	2 862	608 893
Base Support Capability	1 819 552	-	-	24 123	-	-	24 123	1 843 675
Command Post	61 232	-	-	766	-	-	766	61 998
Training Capability	569 991	-	-	6 684	-	-	6 684	576 675
Technical Support Services	461 636	-	-	6 414	-	-	6 414	468 050
<b>Total</b>	<b>6 883 527</b>	<b>-</b>	<b>-</b>	<b>53 056</b>	<b>-</b>	<b>-</b>	<b>53 056</b>	<b>6 936 583</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>5 601 628</b>	<b>-</b>	<b>-</b>	<b>149 029</b>	<b>-</b>	<b>-</b>	<b>149 029</b>	<b>5 750 657</b>
Compensation of employees	3 499 610	-	-	53 056	-	-	53 056	3 552 666
Goods and services	2 102 018	-	-	95 973	-	-	95 973	2 197 991
<b>Transfers and subsidies</b>	<b>1 275 050</b>	<b>-</b>	<b>-</b>	<b>(95 973)</b>	<b>-</b>	<b>-</b>	<b>(95 973)</b>	<b>1 179 077</b>
Provinces and municipalities	3	-	-	-	-	-	-	3
Departmental agencies and accounts	1 256 583	-	-	(95 973)	-	-	(95 973)	1 160 610
Households	18 464	-	-	-	-	-	-	18 464
<b>Payments for capital assets</b>	<b>6 849</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 849</b>
Machinery and equipment	6 849	-	-	-	-	-	-	6 849
<b>Total</b>	<b>6 883 527</b>	<b>-</b>	<b>-</b>	<b>53 056</b>	<b>-</b>	<b>-</b>	<b>53 056</b>	<b>6 936 583</b>

**Programme 5: Maritime Defence**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Maritime Direction	581 621	-	-	7 189	-	-	7 189	588 810
Maritime Combat Capability	1 707 984	-	-	7 069	-	-	7 069	1 715 053
Maritime Logistic Support Capability	930 730	-	-	2 516	-	-	2 516	933 246
Maritime Human Resources and Training Capability	505 914	-	-	6 478	-	-	6 478	512 392
Base Support Capability	629 631	-	-	7 683	-	-	7 683	637 314
<b>Total</b>	<b>4 355 880</b>	-	-	<b>30 935</b>	-	-	<b>30 935</b>	<b>4 386 815</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 982 248</b>	-	-	<b>30 935</b>	-	-	<b>30 935</b>	<b>3 013 183</b>
Compensation of employees	2 263 018	-	-	30 935	-	-	30 935	2 293 953
Goods and services	719 230	-	-	-	-	-	-	719 230
<b>Transfers and subsidies</b>	<b>1 366 999</b>	-	-	-	-	-	-	<b>1 366 999</b>
Departmental agencies and accounts	1 123 038	-	-	-	-	-	-	1 123 038
Public corporations and private enterprises	226 287	-	-	-	-	-	-	226 287
Households	17 674	-	-	-	-	-	-	17 674
<b>Payments for capital assets</b>	<b>6 633</b>	-	-	-	-	-	-	<b>6 633</b>
Machinery and equipment	6 633	-	-	-	-	-	-	6 633
<b>Total</b>	<b>4 355 880</b>	-	-	<b>30 935</b>	-	-	<b>30 935</b>	<b>4 386 815</b>

**Programme 6: Military Health Support**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Strategic Direction	203 249	-	-	2 605	-	-	2 605	205 854
Mobile Military Health Support	121 678	-	-	1 653	-	-	1 653	123 331
Area Military Health Service	1 548 512	-	-	12 338	-	(11 817)	521	1 549 033
Specialist/Tertiary Health Service	1 574 186	-	-	11 424	-	-	11 424	1 585 610
Military Health Product Support Capability	208 883	-	-	1 036	-	-	1 036	209 919
Military Health Maintenance Capability	302 657	-	-	2 250	-	-	2 250	304 907
Military Health Training Capability	457 651	-	-	4 366	-	-	4 366	462 017
<b>Total</b>	<b>4 416 816</b>	-	-	<b>35 672</b>	-	<b>(11 817)</b>	<b>23 855</b>	<b>4 440 671</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>4 407 393</b>	-	-	<b>35 672</b>	-	<b>(11 547)</b>	<b>24 125</b>	<b>4 431 518</b>
Compensation of employees	3 362 501	-	-	35 672	-	(10 109)	25 563	3 388 064
Goods and services	1 044 892	-	-	-	-	(1 438)	(1 438)	1 043 454
<b>Transfers and subsidies</b>	<b>6 510</b>	-	-	-	-	<b>(270)</b>	<b>(270)</b>	<b>6 240</b>
Departmental agencies and accounts	58	-	-	-	-	-	-	58
Non-profit institutions	840	-	-	-	-	-	-	840
Households	5 612	-	-	-	-	(270)	(270)	5 342
<b>Payments for capital assets</b>	<b>2 913</b>	-	-	-	-	-	-	<b>2 913</b>
Machinery and equipment	2 913	-	-	-	-	-	-	2 913
<b>Total</b>	<b>4 416 816</b>	-	-	<b>35 672</b>	-	<b>(11 817)</b>	<b>23 855</b>	<b>4 440 671</b>

**Programme 8: General Support**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Joint Logistic Services	2 916 867	-	-	(8 515)	-	-	(8 515)	2 908 352
Command and Management Information Systems	1 011 199	-	-	-	-	-	-	1 011 199
Military Police	565 427	-	-	21 709	-	-	21 709	587 136
Technology Development	516 244	-	-	-	-	-	-	516 244
Departmental Support	901 356	-	-	-	-	-	-	901 356
<b>Total</b>	<b>5 911 093</b>	-	-	<b>13 194</b>	-	-	<b>13 194</b>	<b>5 924 287</b>

**Programme 8: General Support (continued)**

Economic classification	2016/17							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	<b>4 450 817</b>	–	–	<b>13 194</b>	–	–	<b>13 194</b>	<b>4 464 011</b>	
Compensation of employees	2 028 553	–	–	(14 475)	–	–	(14 475)	2 014 078	
Goods and services	2 422 264	–	–	27 669	–	–	27 669	2 449 933	
<b>Transfers and subsidies</b>	<b>1 318 394</b>	–	–	–	–	–	–	<b>1 318 394</b>	
Provinces and municipalities	51	–	–	–	–	–	–	51	
Departmental agencies and accounts	551 691	–	–	–	–	–	–	551 691	
Public corporations and private enterprises	752 276	–	–	–	–	–	–	752 276	
Households	14 376	–	–	–	–	–	–	14 376	
<b>Payments for capital assets</b>	<b>141 882</b>	–	–	–	–	–	–	<b>141 882</b>	
Buildings and other fixed structures	120 643	–	–	–	–	–	–	120 643	
Machinery and equipment	20 913	–	–	–	–	–	–	20 913	
Software and other intangible assets	326	–	–	–	–	–	–	326	
<b>Total</b>	<b>5 911 093</b>	–	–	<b>13 194</b>	–	–	<b>13 194</b>	<b>5 924 287</b>	

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

1. Administration
2. Force Employment
3. Landward Defence
4. Air Defence
5. Maritime Defence
6. Military Health Support
7. Defence Intelligence
8. General Support

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(2 970)</b>	<b>Programme 3</b>		<b>2 970</b>
Goods and services	Reallocation of funds due to incorrect allocation in the 2016 ENE	(2 970)	Goods and services	Guard services rendered to the defence headquarters	2 970
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Programme 2</b>		<b>(227 000)</b>	<b>Programme 1</b>		<b>65 246</b>
Compensation of employees	Reallocation of funds due to incorrect allocation in the 2016 ENE	(65 246)	Compensation of employees	Increase in personnel remuneration	65 246
	Reallocation of funds due to incorrect allocation in the 2016 ENE	(51 728)	<b>Programme 3</b>		<b>51 728</b>
	Reallocation of funds due to incorrect allocation in the 2016 ENE	(34 662)	Compensation of employees	Increase in personnel remuneration	51 728
	Reallocation of funds due to incorrect allocation in the 2016 ENE	(21 709)	<b>Programme 4</b>		<b>34 662</b>
	Reallocation of funds due to incorrect allocation in the 2016 ENE	(20 234)	Compensation of employees	Increase in personnel remuneration	34 662
	Reallocation of funds due to incorrect allocation in the 2016 ENE	(33 421)	<b>Programme 8</b>		<b>21 709</b>
			Compensation of employees	Increase in personnel remuneration	21 709
			<b>Programme 5</b>		<b>20 234</b>
			Compensation of employees	Increase in personnel remuneration	20 234
			<b>Programme 6</b>		<b>33 421</b>
			Compensation of employees	Increase in personnel remuneration	33 421
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>5.8%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(251 791)</b>	<b>Programme 1</b>		<b>6 000</b>
Goods and services	Reallocation of funds due to incorrect allocation in the 2016 ENE	(6 000)	Goods and services	Services rendered by the Centre for Conflict Simulation	6 000
	Reallocation of funds due to incorrect allocation in the 2016 ENE	(35 791)	<b>Programme 8</b>		<b>35 791</b>
			Goods and services	Maintenance and repair of B Vehicles by Operation Thusano	35 791
Departmental agencies and accounts	Reprioritisation of funds from the special defence account <sup>1</sup>	(116 750)	<b>Programme 1</b>		<b>116 750</b>
	Reprioritisation of funds from the special defence account <sup>1</sup>	(61 904)	Compensation of employees	Housing scheme accruals <sup>1</sup>	116 750
	Reprioritisation of funds from the special defence account <sup>1</sup>	(18 394)	<b>Programme 3</b>		<b>61 904</b>
	Reprioritisation of funds from the special defence account <sup>1</sup>	(10 701)	Compensation of employees	Housing scheme accruals <sup>1</sup>	61 904
	Reprioritisation of funds from the special defence account <sup>1</sup>	(2 251)	<b>Programme 4</b>		<b>18 394</b>
			Compensation of employees	Housing scheme accruals <sup>1</sup>	18 394
			<b>Programme 5</b>		<b>10 701</b>
			Compensation of employees	Housing scheme accruals <sup>1</sup>	10 701
			<b>Programme 6</b>		<b>2 251</b>
			Compensation of employees	Housing scheme accruals <sup>1</sup>	2 251
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.2%</b>			
<b>Programme 4</b>		<b>(95 973)</b>	<b>Programme 4</b>		<b>95 973</b>
Departmental agencies and accounts	Reprioritisation of funds from the special defence account	(95 973)	Goods and services	Lease of transport aircraft	95 973
Shifts within the programme as a percentage of the programme budget		1.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 8</b>		<b>(44 306)</b>	<b>Programme 3</b>		<b>44 306</b>
Goods and services	Reallocation of funds due to incorrect allocation in the 2016 ENE	(8 122)	Goods and services	Guard services rendered to the defence works formation	8 122
Compensation of employees	Reallocation of funds due to incorrect allocation in the 2016 ENE	(36 184)	Compensation of employees	Guard services rendered to the defence works formation	36 184
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.7%</b>			
<b>Total</b>		<b>(622 040)</b>			<b>622 040</b>

1. Only the legislature may approve this virement in terms of the Public Finance Management Act (Act 1 of 1999).

## Other adjustments – R66.720 million

### **Funds shifted within a vote following a function shift – R11.817 million**

#### Programme 1: Administration

R11.817 million has been transferred from the *Military Health Support* programme following the shift of the physical training, sport and recreation function to the human resources support services function in this programme.

### **Self-financing expenditure – R66.720 million**

R66.720 million in revenue was generated from the selling of equipment, and spares procured through the special defence account have been surrendered to the National Revenue Fund for the *Landward Defence* programme.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15 appropriation	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16 appropriation	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16 appropriation	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand									
Administration	4 862 401	2 272 712	46.7	4 981 493	102.4	5 347 951	11.3	2 613 816	48.9
Force Employment	3 813 309	1 388 702	36.4	3 602 801	94.5	3 672 635	7.8	1 626 706	44.3
Landward Defence	15 202 376	7 304 353	48.0	15 118 951	99.5	15 627 275	33.1	7 861 552	50.3
Air Defence	7 167 594	3 136 933	43.8	7 085 719	98.9	6 936 583	14.7	3 169 341	45.7
Maritime Defence	3 769 147	1 789 108	47.5	3 732 748	99.0	4 386 815	9.3	2 093 256	47.7
Military Health Support	4 069 261	2 097 570	51.5	4 243 150	104.3	4 440 671	9.4	2 200 144	49.5
Defence Intelligence	831 459	392 799	47.2	830 060	99.8	900 248	1.9	413 038	45.9
General Support	5 372 614	2 365 683	44.0	5 476 612	101.9	5 924 287	12.5	2 647 844	44.7
<b>Total</b>	<b>45 088 161</b>	<b>20 747 860</b>	<b>46.0</b>	<b>45 071 534</b>	<b>100.0</b>	<b>47 236 465</b>	<b>100.0</b>	<b>22 625 697</b>	<b>47.9</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>36 607 562</b>	<b>16 949 174</b>	<b>46.3</b>	<b>36 227 597</b>	<b>99.0</b>	<b>39 407 071</b>	<b>83.4</b>	<b>18 527 605</b>	<b>47.0</b>
Compensation of employees	24 890 389	12 115 344	48.7	24 788 024	99.6	27 094 559	57.4	13 249 499	48.9
Goods and services	11 717 173	4 833 830	41.3	11 439 573	97.6	12 312 512	26.1	5 278 106	42.9
<b>Transfers and subsidies</b>	<b>7 893 698</b>	<b>3 634 464</b>	<b>46.0</b>	<b>8 003 263</b>	<b>101.4</b>	<b>7 541 582</b>	<b>16.0</b>	<b>3 781 180</b>	<b>50.1</b>
Provinces and municipalities	33	17	51.5	61	184.8	87	-	121	139.1
Departmental agencies and accounts	6 745 225	3 020 949	44.8	6 840 117	101.4	6 383 402	13.5	3 164 423	49.6
Foreign governments and international organisations	5 805	5 804	100.0	5 804	100.0	-	-	-	-
Public corporations and private enterprises	1 025 893	543 753	53.0	1 022 379	99.7	1 025 387	2.2	546 210	53.3
Non-profit institutions	7 992	3 596	45.0	8 081	101.1	9 460	-	6 620	70.0
Households	108 750	60 345	55.5	126 821	116.6	123 246	0.3	63 806	51.8
<b>Payments for capital assets</b>	<b>586 901</b>	<b>163 021</b>	<b>27.8</b>	<b>837 997</b>	<b>142.8</b>	<b>287 812</b>	<b>0.6</b>	<b>315 766</b>	<b>109.7</b>
Buildings and other fixed structures	122 599	24 332	19.8	82 597	67.4	121 935	0.3	51 824	42.5
Machinery and equipment	451 167	123 140	27.3	696 655	154.4	164 538	0.3	252 488	153.5
Specialised military assets	12 143	15 549	128.0	58 098	478.4	993	-	11 454	1153.5
Software and other intangible assets	992	-	-	647	65.2	346	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>1 201</b>	<b>-</b>	<b>2 677</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 146</b>	<b>-</b>
<b>Total</b>	<b>45 088 161</b>	<b>20 747 860</b>	<b>46.0</b>	<b>45 071 534</b>	<b>100.0</b>	<b>47 236 465</b>	<b>100.0</b>	<b>22 625 697</b>	<b>47.9</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 100 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R22.6 billion, or 47.9 per cent of the adjusted appropriation of R47.2 billion for the year. In comparison, mid-year expenditure in 2015/16 was R20.7 billion, or 46 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R1.9 billion, or 9.1 per cent. This was mainly due to the increase in personnel remuneration as a result of the accrued payments for capital equipment in the *Force Employment* programme.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>818 166</b>	<b>301 452</b>	<b>36.8</b>	<b>1 082 623</b>	<b>132.3</b>	<b>842 710</b>	<b>842 710</b>	<b>100.0</b>	<b>519 118</b>	<b>61.6</b>
Sales of goods and services produced by department	358 771	162 969	45.4	439 041	122.4	271 760	442 198	52.5	334 600	75.7
Sales of scrap, waste, arms and other used current goods	20 186	5 694	28.2	2 975	14.7	682	850	0.1	472	55.5
Transfers received	185 153	94 166	50.9	524 130	283.1	508 595	231 652	27.5	91 671	39.6
Fines, penalties and forfeits	4 086	424	10.4	600	14.7	1 122	650	0.1	333	51.2
Interest, dividends and rent on land	2 796	2 320	83.0	3 890	139.1	2 758	2 758	0.3	1 691	61.3
Sales of capital assets	59 549	14 232	23.9	36 212	60.8	45 182	66 000	7.8	31 858	48.3
Transactions in financial assets and liabilities	187 625	21 647	11.5	75 775	40.4	12 611	98 602	11.7	58 493	59.3
<b>Total</b>	<b>818 166</b>	<b>301 452</b>	<b>36.8</b>	<b>1 082 623</b>	<b>132.3</b>	<b>842 710</b>	<b>842 710</b>	<b>100.0</b>	<b>519 118</b>	<b>61.6</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R519.1 million, or 61.6 per cent of the adjusted revenue estimate of R842.7 million for the year. In comparison, mid-year revenue in 2015/16 was R301.5 million, or 36.8 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R217.7 million, or 72.2 per cent. This was mainly due to the increase in tariffs for the rental of state owned property and an increase in the disposal of redundant equipment.

## Changes to transfers and subsidies

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

R thousand	Main appropriation	2016/17						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Administration</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>17 738</b>	-	-	-	-	<b>270</b>	<b>270</b>	<b>18 008</b>	
Employee social benefits	17 738	-	-	-	-	270	270	18 008	
<b>Landward Defence</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>2 379 046</b>	-	-	<b>(210 000)</b>	-	<b>66 720</b>	<b>(143 280)</b>	<b>2 235 766</b>	
Special defence account	2 379 046	-	-	(210 000)	-	66 720	(143 280)	2 235 766	
<b>Air Defence</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>1 256 583</b>	-	-	<b>(95 973)</b>	-	-	<b>(95 973)</b>	<b>1 160 610</b>	
Special defence account	1 256 583	-	-	(95 973)	-	-	(95 973)	1 160 610	
<b>Military Health Support</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>5 612</b>	-	-	-	-	<b>(270)</b>	<b>(270)</b>	<b>5 342</b>	
Employee social benefits	5 612	-	-	-	-	(270)	(270)	5 342	



# Vote 20

## Independent Police Investigative Directorate

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>246 111</b>	<b>242 111</b>	<b>(4 000)</b>	<b>-</b>
<i>of which:</i>				
Current payments	244 738	241 355	(3 383)	-
Transfers and subsidies	545	602	-	57
Payments for capital assets	828	154	(674)	-
Executive authority	Minister of Police			
Accounting officer	Executive Director of the Independent Police Investigative Directorate			
Website address	www.ipid.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Percentage of cases registered and allocated within 72 hours of written notification	Investigation and Information Management	Outcome 3: All people in South Africa are and feel safe	91%	97% (3 204/3 307)	-
Percentage of investigations of deaths while in police custody that are decision ready	Investigation and Information Management		62%	74% (114/154)	-
Percentage of investigations of deaths as a result of police action that are decision ready	Investigation and Information Management		52%	44% (92/207)	-
Percentage of investigations of rape by a police officer that are decision ready	Investigation and Information Management		65%	69% (35/51)	-
Percentage of investigations of rape while in police custody that are decision ready	Investigation and Information Management		65%	86% (6/7)	-
Number of community outreach events conducted per year	Compliance Monitoring and Stakeholder Management		Outcome 12: An efficient, effective and development orientated public service	108	59

### Mid-year progress

In the first six months of 2016/17, the directorate received 3 307 cases for investigation. Of these, 3 204 or 97 per cent were registered and allocated within 72 hours of receipt, against the annual target of 91 per cent. The higher than anticipated performance is due to notable improvements in the turnaround time for the registration and allocation of cases by the case intake committee. The directorate also exceeded its annual performance target for the percentage of decision ready investigations into deaths and rape occurring while detainees are in police custody. Of the 154 cases for deaths, 114 or 74 per cent were decision-ready, against the annual target of 62 per cent. Similarly, of the 7 cases under investigation for rape, 6 or 86 per cent were

decision ready, against the annual target of 65 per cent. The higher than anticipated performance for both indicators is as a result of improved oversight of investigations by provincial heads.

The directorate could not achieve its target of 52 per cent in relation to the indicator for the investigation into deaths as a result of police action. This is due to factors that are beyond the directorate's control, such as delays by the Department of Health in conducting pathological tests.

The directorate is on track to achieve the target for the number of community outreach events conducted because at the end of the first six months of 2016/17, the directorate had already conducted 59 outreach events out of the annual target of 108.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	74 417	-	-	400	(1 500)	-	(1 100)	73 317	
Investigation and Information Management	157 142	-	-	-	(2 500)	-	(2 500)	154 642	
Legal Services	5 651	-	-	(200)	-	-	(200)	5 451	
Compliance Monitoring and Stakeholder Management	8 901	-	-	(200)	-	-	(200)	8 701	
<b>Total</b>	<b>246 111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 000)</b>	<b>-</b>	<b>(4 000)</b>	<b>242 111</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>244 738</b>	<b>-</b>	<b>-</b>	<b>617</b>	<b>(4 000)</b>	<b>-</b>	<b>(3 383)</b>	<b>241 355</b>	
Compensation of employees	178 483	-	-	(4 900)	(4 000)	-	(8 900)	169 583	
Goods and services	66 255	-	-	5 517	-	-	5 517	71 772	
<b>Transfers and subsidies</b>	<b>545</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>602</b>	
Departmental agencies and accounts	545	-	-	4	-	-	4	549	
Households	-	-	-	53	-	-	53	53	
<b>Payments for capital assets</b>	<b>828</b>	<b>-</b>	<b>-</b>	<b>(674)</b>	<b>-</b>	<b>-</b>	<b>(674)</b>	<b>154</b>	
Machinery and equipment	828	-	-	(674)	-	-	(674)	154	
<b>Total</b>	<b>246 111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 000)</b>	<b>-</b>	<b>(4 000)</b>	<b>242 111</b>	

### Programme 1: Administration

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Department Management	12 911	-	-	929	(1 500)	-	(571)	12 340	
Corporate Services	27 632	-	-	(208)	-	-	(208)	27 424	
Office Accommodation	11 207	-	-	-	-	-	-	11 207	
Internal Audit	4 474	-	-	(44)	-	-	(44)	4 430	
Finance Services	18 193	-	-	(277)	-	-	(277)	17 916	
<b>Total</b>	<b>74 417</b>	<b>-</b>	<b>-</b>	<b>400</b>	<b>(1 500)</b>	<b>-</b>	<b>(1 100)</b>	<b>73 317</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>73 319</b>	<b>-</b>	<b>-</b>	<b>815</b>	<b>(1 500)</b>	<b>-</b>	<b>(685)</b>	<b>72 634</b>	
Compensation of employees	44 729	-	-	(19)	(1 500)	-	(1 519)	43 210	
Goods and services	28 590	-	-	834	-	-	834	29 424	
<b>Transfers and subsidies</b>	<b>536</b>	<b>-</b>	<b>-</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>19</b>	<b>555</b>	
Departmental agencies and accounts	536	-	-	-	-	-	-	536	
Households	-	-	-	19	-	-	19	19	
<b>Payments for capital assets</b>	<b>562</b>	<b>-</b>	<b>-</b>	<b>(434)</b>	<b>-</b>	<b>-</b>	<b>(434)</b>	<b>128</b>	
Machinery and equipment	562	-	-	(434)	-	-	(434)	128	
<b>Total</b>	<b>74 417</b>	<b>-</b>	<b>-</b>	<b>400</b>	<b>(1 500)</b>	<b>-</b>	<b>(1 100)</b>	<b>73 317</b>	

**Programme 2: Investigation and Information Management**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Investigation Management	11 262	-	-	3 381	-	-	3 381	14 643
Investigation Services	141 522	-	-	(3 308)	(2 500)	-	(5 808)	135 714
Information Management	4 358	-	-	(73)	-	-	(73)	4 285
<b>Total</b>	<b>157 142</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 500)</b>	<b>-</b>	<b>(2 500)</b>	<b>154 642</b>
<b>Economic classification</b>								
<b>Current payments</b>		<b>156 928</b>	<b>-</b>	<b>-</b>	<b>141</b>	<b>(2 500)</b>	<b>(2 359)</b>	<b>154 569</b>
Compensation of employees	120 728	-	-	(3 981)	(2 500)	-	(6 481)	114 247
Goods and services	36 200	-	-	4 122	-	-	4 122	40 322
<b>Transfers and subsidies</b>		<b>9</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>38</b>	<b>47</b>
Departmental agencies and accounts	9	-	-	4	-	-	4	13
Households	-	-	-	34	-	-	34	34
<b>Payments for capital assets</b>		<b>205</b>	<b>-</b>	<b>-</b>	<b>(179)</b>	<b>-</b>	<b>(179)</b>	<b>26</b>
Machinery and equipment	205	-	-	(179)	-	-	(179)	26
<b>Total</b>	<b>157 142</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 500)</b>	<b>-</b>	<b>(2 500)</b>	<b>154 642</b>

**Programme 3: Legal Services**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Legal Support and Administration	1 691	-	-	218	-	-	218	1 909
Litigation Advisory Services	1 933	-	-	(50)	-	-	(50)	1 883
Investigation Advisory Services	2 027	-	-	(368)	-	-	(368)	1 659
<b>Total</b>	<b>5 651</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>5 451</b>
<b>Economic classification</b>								
<b>Current payments</b>		<b>5 651</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>-</b>	<b>(200)</b>	<b>5 451</b>
Compensation of employees	5 220	-	-	(400)	-	-	(400)	4 820
Goods and services	431	-	-	200	-	-	200	631
<b>Total</b>	<b>5 651</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>5 451</b>

**Programme 4: Compliance Monitoring and Stakeholder Management**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Compliance Monitoring	4 141	-	-	(90)	-	-	(90)	4 051
Stakeholder Management	4 760	-	-	(110)	-	-	(110)	4 650
<b>Total</b>	<b>8 901</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>8 701</b>
<b>Economic classification</b>								
<b>Current payments</b>		<b>8 840</b>	<b>-</b>	<b>-</b>	<b>(139)</b>	<b>-</b>	<b>(139)</b>	<b>8 701</b>
Compensation of employees	7 806	-	-	(500)	-	-	(500)	7 306
Goods and services	1 034	-	-	361	-	-	361	1 395
<b>Payments for capital assets</b>		<b>61</b>	<b>-</b>	<b>-</b>	<b>(61)</b>	<b>-</b>	<b>(61)</b>	<b>-</b>
Machinery and equipment	61	-	-	(61)	-	-	(61)	-
<b>Total</b>	<b>8 901</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>8 701</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

<b>Programmes</b>					
1. Administration					
2. Investigation and Information Management					
3. Legal Services					
4. Compliance Monitoring and Stakeholder Management					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>			<b>Programme 1</b>		
Compensation of employees	Vacant posts <sup>1</sup>	(453)	Households	Leave gratuities	19
Machinery and equipment	Reallocation of funds for computer hardware due to delays in the placement of orders <sup>1</sup>	(434)	Goods and services	Increases in software licence fees	434
Shifts within the programme as a percentage of the programme budget		0.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>			<b>Programme 2</b>		
Compensation of employees	Vacant posts <sup>1</sup>	(33)	Households	Leave gratuities	33
	Vacant posts <sup>2</sup>	(3 948)	Goods and services	Higher than anticipated travelling costs for investigators	3 948
Machinery and equipment	Reallocation of funds for computer hardware due to delays in the placement of orders <sup>1</sup>	(179)	Goods and services	Increases in software licence fees	179
Goods and services	Reallocation of funds due to delays in the placement of orders for office supplies	(1)	Households	Leave gratuities	1
	Reallocation of funds due to delays in the placement of orders for office supplies	(4)	Departmental agencies and accounts	Renewal of television licences <sup>1</sup>	4
Shifts within the programme as a percentage of the programme budget		2.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>			<b>Programme 1</b>		
Compensation of employees	Vacant posts <sup>2</sup>	(200)	Goods and services	Travel and accommodation due to increased number of provincial and portfolio committee meetings attended	200
	Vacant posts <sup>2</sup>	(200)	<b>Programme 3</b>		<b>200</b>
			Goods and services	Legal costs for the disciplinary hearings of 7 officials	200
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>3.5%</b>			
<b>Programme 4</b>			<b>Programme 1</b>		
Compensation of employees	Vacant posts <sup>2</sup>	(200)	Goods and services	Telkom data lines	200
	Vacant posts <sup>2</sup>	(300)	<b>Programme 4</b>		<b>361</b>
			Goods and services	Travel and accommodation for the compliance monitoring and stakeholder management units due to the increased number of community outreach events conducted	300
Machinery and equipment	Reallocation of funds for computer hardware due to delays in the placement of orders <sup>1</sup>	(61)	Goods and services	Increases in software licence fees	61
Shifts within the programme as a percentage of the programme budget		4.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.2%</b>			
<b>Total</b>		<b>(5 579)</b>	<b>5 579</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

**Declared unspent funds – R4 million**

R4 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceiling.

Programme 1: Administration

R1.500 million

Programme 2: Investigation and Information Management

R2.500 million

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	adjusted % of appropriation	Apr 15 - Mar 16	adjusted % of appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	adjusted % of appropriation	
Administration	74 015	37 252	50.3	71 563	96.7	73 317	30.3	42 361	57.8	
Investigation and Information Management	150 822	71 336	47.3	152 628	101.2	154 642	63.9	85 749	55.5	
Legal Services	5 476	2 308	42.1	5 734	104.7	5 451	2.3	2 341	42.9	
Compliance Monitoring and Stakeholder Management	4 468	2 000	44.8	4 232	94.7	8 701	3.6	4 317	49.6	
<b>Total</b>	<b>234 781</b>	<b>112 896</b>	<b>48.1</b>	<b>234 157</b>	<b>99.7</b>	<b>242 111</b>	<b>100.0</b>	<b>134 768</b>	<b>55.7</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>231 890</b>	<b>110 328</b>	<b>47.6</b>	<b>231 176</b>	<b>99.7</b>	<b>241 355</b>	<b>99.7</b>	<b>134 487</b>	<b>55.7</b>	
Compensation of employees	159 625	71 093	44.5	149 559	93.7	169 583	70.0	86 296	50.9	
Goods and services	72 265	39 232	54.3	81 617	112.9	71 772	29.6	48 191	67.1	
Interest and rent on land	-	3	-	-	-	-	-	-	-	
<b>Transfers and subsidies</b>	<b>529</b>	<b>171</b>	<b>32.3</b>	<b>623</b>	<b>117.8</b>	<b>602</b>	<b>0.2</b>	<b>60</b>	<b>10.0</b>	
Departmental agencies and accounts	371	-	-	365	98.4	549	0.2	6	1.1	
Households	158	171	108.2	258	163.3	53	-	54	101.9	
<b>Payments for capital assets</b>	<b>2 362</b>	<b>2 397</b>	<b>101.5</b>	<b>2 356</b>	<b>99.7</b>	<b>154</b>	<b>0.1</b>	<b>128</b>	<b>83.1</b>	
Machinery and equipment	2 362	2 397	101.5	2 356	99.7	154	0.1	128	83.1	
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>-</b>	
<b>Total</b>	<b>234 781</b>	<b>112 896</b>	<b>48.1</b>	<b>234 157</b>	<b>99.7</b>	<b>242 111</b>	<b>100.0</b>	<b>134 768</b>	<b>55.7</b>	

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 99.7 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R134.8 million or 55.7 per cent of the adjusted appropriation of R242.1 million for the year. In comparison, mid-year expenditure in 2015/16 was R112.9 million or 48.1 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R21.9 million, or 19.4 per cent. This was mainly due to higher expenditure on compensation of employees as a result of cost of living adjustments in line with the 2015 public sector wage agreement, and more personnel appointments made in the first six months of 2016/17, compared to 2015/16.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>178</b>	<b>75</b>	<b>42.1</b>	<b>161</b>	<b>90.4</b>	<b>191</b>	<b>307</b>	<b>100.0</b>	<b>222</b>	<b>72.3</b>
Sales of goods and services produced by department	84	42	50.0	90	107.1	88	95	30.9	48	50.5
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	1	1	0.3	1	100.0
Interest, dividends and rent on land	12	4	33.3	7	58.3	13	4	1.3	2	50.0
Transactions in financial assets and liabilities	82	29	35.4	64	78.0	89	207	67.4	171	82.6
<b>Total</b>	<b>178</b>	<b>75</b>	<b>42.1</b>	<b>161</b>	<b>90.4</b>	<b>191</b>	<b>307</b>	<b>100.0</b>	<b>222</b>	<b>72.3</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R222 000, or 72.3 per cent of the adjusted revenue estimate of R307 000 for the year. In comparison, mid-year revenue in 2015/16 was R75 000, or 42.1 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R147 000, or 196 per cent. This was due to a payment received from the Safety and Security Sector Education and Training Authority in terms of a memorandum of understanding signed with the authority, which stipulated that the authority will reimburse the directorate for the intake of learners under its learnership programme.

## Changes to transfers and subsidies

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

R thousand	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Administration</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	19	-	-	19	19	
Employee social benefits	-	-	-	19	-	-	19	19	
<b>Investigation and Information Management</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	9	-	-	4	-	-	4	13	
Communication	9	-	-	4	-	-	4	13	
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>				34			34	34	
Employee social benefits	-	-	-	34	-	-	34	34	

# Vote 21

## Justice and Constitutional Development

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>16 049 736</b>	<b>16 040 736</b>	<b>(9 000)</b>	<b>-</b>
Current payments	12 390 705	12 468 310	-	77 605
Transfers and subsidies	2 379 377	2 386 804	-	7 427
Payments for capital assets	1 279 654	1 180 981	(98 673)	-
Payments for financial assets	-	4 641	-	4 641
<b>Direct charge against the National Revenue Fund</b>	<b>2 040 162</b>	<b>2 010 162</b>	<b>(30 000)</b>	<b>-</b>
Executive authority	Minister of Justice and Correctional Services			
Accounting officer	Director-General of Justice and Constitutional Development			
Website address	www.justice.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first five months of 2016/17 (April to August)	Changed target for 2016/17
Number of criminal cases on the backlog roll in the lower courts per year	Court Services	Outcome 3: All people in South Africa are and feel safe	31 942	27 357	-
Percentage of letters of appointment for executors issued in deceased estates within 15 days from receipt of all required documents	State Legal Services		94% (141 000 out of 150 000)	96% (54 699 out of 57 160)	-
Number of criminal court cases finalised, including alternative dispute resolution mechanisms, per year:	National Prosecuting Authority		486 026	213 744	-
- Number of criminal court cases finalised with verdict			330 794	142 800	-
- Number of criminal court cases finalised through alternative dispute resolution mechanisms			155 232	70 944	-
Conviction rate:					
- High courts			87% (897 out of 1 031)	92% (384 out of 417)	-
- Regional courts			74% (26 660 out of 36 027)	79% (11 069 out of 13 971)	-
- District courts			88% (258 488 out of 293 736)	95% (122 292 out of 128 412)	-
Total number of operational Thuthuzela care centres			60	55	-
Number of persons convicted of corruption or offences relating to corruption per year where the amount involved is more than R5 million		25	16	-	

2016 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first five months of 2016/17 (April to August)	Changed target for 2016/17
Number of completed forfeiture cases per year	National Prosecuting Authority	Outcome 3: All people in South Africa are and feel safe	430	213	-
Value of completed forfeiture cases per year			R230m	R263.7 m	-
Number of freezing orders per year			324	128	-
Value of freezing orders per year			R1.1bn	R187.1 m	-
Success rate			93% (400 out of 430)	99% (211 out of 213)	-

Mid-year progress

The number of criminal cases on the backlog roll in the lower courts was 27 357 against the annual target of 31 942. The department is on course to surpass its annual target due to the improvement of collaboration and engagement with other departments in the justice, crime prevention and security cluster.

The department is also responsible for the provision of services to the beneficiaries of deceased estates. In the period under review, the department received 57 160 letters of appointment for executors in deceased estates and of these, 54 699 were issued within the prescribed timeframe. This constitutes mid-year achievement of 96 per cent.

The National Prosecuting Authority expects to meet its performance targets by the end of the year, with the exception of the annual target for the number of Thuthuzela care centres. This is mainly due to the decision taken to not fill all the vacant positions in the current year. This decision will assist the National Prosecuting Authority to stay within the compensation of employees ceiling as set over the medium term.

The Asset Forfeiture Unit completed 213 cases involving assets valued at R263.7 million and obtained 128 freezing orders to the value of R187.1 million. For the value of completed forfeiture cases, the unit has surpassed the annual target of R230 million and this is mainly due to the finalisation of high value cases. Although the achievement for the value of freezing orders seems low during the period under review, the unit expects to achieve the target set by the end of 2016/17.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	2 079 934	-	-	60 000	-	(9 000)	51 000	2 130 934
Court Services	6 121 588	-	-	(60 000)	-	-	(60 000)	6 061 588
State Legal Services	1 127 969	-	-	(1 500)	-	-	(1 500)	1 126 469
National Prosecuting Authority	3 557 505	-	-	-	-	-	-	3 557 505
Auxiliary and Associated Services	3 162 740	-	-	1 500	-	-	1 500	3 164 240
<b>Subtotal</b>	<b>16 049 736</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9 000)</b>	<b>(9 000)</b>	<b>16 040 736</b>
<b>Direct charge against the National Revenue Fund</b>	<b>2 040 162</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30 000)</b>	<b>(30 000)</b>	<b>2 010 162</b>
Magistrates' salaries	2 040 162	-	-	-	-	(30 000)	(30 000)	2 010 162
<b>Total</b>	<b>18 089 898</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39 000)</b>	<b>(39 000)</b>	<b>18 050 898</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>14 367 729</b>	<b>-</b>	<b>-</b>	<b>86 605</b>	<b>-</b>	<b>(39 000)</b>	<b>47 605</b>	<b>14 415 334</b>
Compensation of employees	10 070 197	-	-	-	-	(30 000)	(30 000)	10 040 197
Goods and services	4 297 532	-	-	86 605	-	(9 000)	77 605	4 375 137

Economic classification	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Transfers and subsidies</b>	<b>2 442 515</b>	-	-	<b>7 427</b>	-	-	<b>7 427</b>	<b>2 449 942</b>	
Provinces and municipalities	494	-	-	26	-	-	26	520	
Departmental agencies and accounts	2 333 193	-	-	1 520	-	-	1 520	2 334 713	
Foreign governments and international organisations	15 222	-	-	-	-	-	-	15 222	
Households	93 606	-	-	5 881	-	-	5 881	99 487	
<b>Payments for capital assets</b>	<b>1 279 654</b>	-	-	<b>(98 673)</b>	-	-	<b>(98 673)</b>	<b>1 180 981</b>	
Buildings and other fixed structures	911 129	-	-	(190 000)	-	-	(190 000)	721 129	
Machinery and equipment	368 525	-	-	91 317	-	-	91 317	459 842	
Software and other intangible assets	-	-	-	10	-	-	10	10	
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>4 641</b>	-	-	<b>4 641</b>	<b>4 641</b>	
<b>Total</b>	<b>18 089 898</b>	-	-	-	-	<b>(39 000)</b>	<b>(39 000)</b>	<b>18 050 898</b>	

**Programme 1: Administration**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	34 885	-	-	-	-	-	-	34 885	
Management	128 010	-	-	-	-	-	-	128 010	
Corporate Services	465 790	-	-	-	-	(9 000)	(9 000)	456 790	
Financial Administration	194 551	-	-	-	-	-	-	194 551	
Internal Audit	86 552	-	-	-	-	-	-	86 552	
Office Accommodation	1 170 146	-	-	60 000	-	-	60 000	1 230 146	
<b>Total</b>	<b>2 079 934</b>	-	-	<b>60 000</b>	-	<b>(9 000)</b>	<b>51 000</b>	<b>2 130 934</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 053 184</b>	-	-	<b>56 728</b>	-	<b>(9 000)</b>	<b>47 728</b>	<b>2 100 912</b>	
Compensation of employees	552 324	-	-	-	-	-	-	552 324	
Goods and services	1 500 860	-	-	56 728	-	(9 000)	47 728	1 548 588	
<b>Transfers and subsidies</b>	<b>14 910</b>	-	-	<b>881</b>	-	-	<b>881</b>	<b>15 791</b>	
Provinces and municipalities	37	-	-	-	-	-	-	37	
Departmental agencies and accounts	14 618	-	-	-	-	-	-	14 618	
Households	255	-	-	881	-	-	881	1 136	
<b>Payments for capital assets</b>	<b>11 840</b>	-	-	<b>1 974</b>	-	-	<b>1 974</b>	<b>13 814</b>	
Machinery and equipment	11 840	-	-	1 974	-	-	1 974	13 814	
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>417</b>	-	-	<b>417</b>	<b>417</b>	
<b>Total</b>	<b>2 079 934</b>	-	-	<b>60 000</b>	-	<b>(9 000)</b>	<b>51 000</b>	<b>2 130 934</b>	

**Programme 2: Court Services**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Lower Courts	4 336 134	-	-	17 016	-	-	17 016	4 353 150	
Family Advocate	211 378	-	-	-	-	-	-	211 378	
Magistrate's Commission	16 733	-	-	1 400	-	-	1 400	18 133	
Government Motor Transport	14 030	-	-	(14 030)	-	-	(14 030)	-	
Facilities Management	991 519	-	-	(71 452)	-	-	(71 452)	920 067	
Administration of Lower Courts	551 794	-	-	7 066	-	-	7 066	558 860	
<b>Total</b>	<b>6 121 588</b>	-	-	<b>(60 000)</b>	-	-	<b>(60 000)</b>	<b>6 061 588</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>5 091 570</b>	-	-	<b>62 023</b>	-	-	<b>62 023</b>	<b>5 153 593</b>	
Compensation of employees	3 573 436	-	-	-	-	-	-	3 573 436	
Goods and services	1 518 134	-	-	62 023	-	-	62 023	1 580 157	
<b>Transfers and subsidies</b>	<b>21 384</b>	-	-	<b>2 046</b>	-	-	<b>2 046</b>	<b>23 430</b>	
Provinces and municipalities	431	-	-	26	-	-	26	457	
Departmental agencies and accounts	10	-	-	20	-	-	20	30	
Households	20 943	-	-	2 000	-	-	2 000	22 943	
<b>Payments for capital assets</b>	<b>1 008 634</b>	-	-	<b>(126 831)</b>	-	-	<b>(126 831)</b>	<b>881 803</b>	
Buildings and other fixed structures	911 129	-	-	(190 000)	-	-	(190 000)	721 129	
Machinery and equipment	97 505	-	-	63 169	-	-	63 169	160 674	
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>2 762</b>	-	-	<b>2 762</b>	<b>2 762</b>	
<b>Total</b>	<b>6 121 588</b>	-	-	<b>(60 000)</b>	-	-	<b>(60 000)</b>	<b>6 061 588</b>	

**Programme 3: State Legal Services**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
State Law Advisors	69 343	-	-	-	-	-	-	69 343
Litigation and Legal Services	433 362	-	-	-	-	-	-	433 362
Legislative Development and Law Reform	69 299	-	-	-	-	-	-	69 299
Master of the High Court	479 546	-	-	-	-	-	-	479 546
Constitutional Development	76 419	-	-	(1 500)	-	-	(1 500)	74 919
<b>Total</b>	<b>1 127 969</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>1 126 469</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 097 250</b>	<b>-</b>	<b>-</b>	<b>(4 522)</b>	<b>-</b>	<b>-</b>	<b>(4 522)</b>	<b>1 092 728</b>
Compensation of employees	959 950	-	-	-	-	-	-	959 950
Goods and services	137 300	-	-	(4 522)	-	-	(4 522)	132 778
<b>Transfers and subsidies</b>	<b>16 954</b>	<b>-</b>	<b>-</b>	<b>3 000</b>	<b>-</b>	<b>-</b>	<b>3 000</b>	<b>19 954</b>
Provinces and municipalities	26	-	-	-	-	-	-	26
Departmental agencies and accounts	1	-	-	-	-	-	-	1
Foreign governments and international organisations	15 222	-	-	-	-	-	-	15 222
Households	1 705	-	-	3 000	-	-	3 000	4 705
<b>Payments for capital assets</b>	<b>13 765</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 765</b>
Machinery and equipment	13 765	-	-	(10)	-	-	(10)	13 755
Software and other intangible assets	-	-	-	10	-	-	10	10
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>22</b>
<b>Total</b>	<b>1 127 969</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>1 126 469</b>

**Programme 4: National Prosecuting Authority**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
National Prosecutions Service	2 799 442	-	-	(300)	-	-	(300)	2 799 142
Asset Forfeiture Unit	127 126	-	-	-	-	-	-	127 126
Office for Witness Protection	168 919	-	-	600	-	-	600	169 519
Support Services	462 018	-	-	(300)	-	-	(300)	461 718
<b>Total</b>	<b>3 557 505</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 557 505</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 490 120</b>	<b>-</b>	<b>-</b>	<b>4 210</b>	<b>-</b>	<b>-</b>	<b>4 210</b>	<b>3 494 330</b>
Compensation of employees	3 007 463	-	-	-	-	-	-	3 007 463
Goods and services	482 657	-	-	4 210	-	-	4 210	486 867
<b>Transfers and subsidies</b>	<b>16 130</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 130</b>
Departmental agencies and accounts	8 565	-	-	-	-	-	-	8 565
Households	7 565	-	-	-	-	-	-	7 565
<b>Payments for capital assets</b>	<b>51 255</b>	<b>-</b>	<b>-</b>	<b>(5 650)</b>	<b>-</b>	<b>-</b>	<b>(5 650)</b>	<b>45 605</b>
Machinery and equipment	51 255	-	-	(5 650)	-	-	(5 650)	45 605
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 440</b>	<b>-</b>	<b>-</b>	<b>1 440</b>	<b>1 440</b>
<b>Total</b>	<b>3 557 505</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 557 505</b>

**Programme 5: Auxiliary and Associated Services**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Legal Aid South Africa	1 577 171	-	-	-	-	-	-	1 577 171
Special Investigating Unit	316 732	-	-	-	-	-	-	316 732
Public Protector of South Africa	262 608	-	-	1 500	-	-	1 500	264 108
South African Human Rights Commission	153 487	-	-	-	-	-	-	153 487
Justice Modernisation	852 741	-	-	-	-	-	-	852 741
President's Fund	1	-	-	-	-	-	-	1
<b>Total</b>	<b>3 162 740</b>	<b>-</b>	<b>-</b>	<b>1 500</b>	<b>-</b>	<b>-</b>	<b>1 500</b>	<b>3 164 240</b>

**Programme 5: Auxiliary and Associated Services (continued)**

Economic classification	2016/17							
	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>658 581</b>	-	-	(31 834)	-	-	(31 834)	<b>626 747</b>
Goods and services	658 581	-	-	(31 834)	-	-	(31 834)	626 747
<b>Transfers and subsidies</b>	<b>2 309 999</b>	-	-	1 500	-	-	1 500	<b>2 311 499</b>
Departmental agencies and accounts	2 309 999	-	-	1 500	-	-	1 500	2 311 499
<b>Payments for capital assets</b>	<b>194 160</b>	-	-	31 834	-	-	31 834	<b>225 994</b>
Machinery and equipment	194 160	-	-	31 834	-	-	31 834	225 994
<b>Total</b>	<b>3 162 740</b>	-	-	1 500	-	-	1 500	<b>3 164 240</b>

**Direct charge against the National Revenue Fund**

Economic classification	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Magistrates' salaries	2 040 162	-	-	-	-	(30 000)	(30 000)	2 010 162
<b>Total</b>	<b>2 040 162</b>	-	-	-	-	(30 000)	(30 000)	<b>2 010 162</b>
<b>Economic classification</b>	<b>1 977 024</b>	-	-	-	-	(30 000)	(30 000)	<b>1 947 024</b>
<b>Current payments</b>	<b>1 977 024</b>	-	-	-	-	(30 000)	(30 000)	<b>1 947 024</b>
Compensation of employees	1 977 024	-	-	-	-	(30 000)	(30 000)	1 947 024
<b>Transfers and subsidies</b>	<b>63 138</b>	-	-	-	-	-	-	<b>63 138</b>
Households	63 138	-	-	-	-	-	-	63 138
<b>Total</b>	<b>2 040 162</b>	-	-	-	-	(30 000)	(30 000)	<b>2 010 162</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

- Administration
- Court Services
- State Legal Services
- National Prosecuting Authority
- Auxiliary and Associated Services

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(3 272)</b>	<b>Programme 1</b>		<b>3 272</b>
Goods and services	Cost containment measures effected on advertising, and travel and subsistence	(1 974)	Machinery and equipment	Procurement of office furniture and equipment for the head office	1 974
	Cost containment measures effected on travel and subsistence	(417)	Payments for financial assets	Commission of inquiry into higher education and training (the Fees Commission)	
	Cost containment measures effected on travel and subsistence	(881)	Households	Offsetting of payment for financial assets for theft and losses	417
				Leave gratuities	881
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%			

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(221 639)</b>	<b>Programme 2</b>		<b>31 639</b>
Goods and services	Cost containment measures effected on communication, and travel and subsistence	(2 762)	Payments for financial assets	Offsetting of payment for financial assets for theft and losses	2 762
	Cost containment measures effected on travel and subsistence	(2 000)	Households	Leave gratuities	2 000
	Cost containment measures effected on travel and subsistence	(20)	Departmental agencies and accounts	Television licences	20
	Cost containment measures effected on travel and subsistence	(26)	Provinces and municipalities	Vehicle licences	26
Machinery and equipment	Cost containment measures effected on office equipment <sup>2</sup>	(26 831)	Goods and services	Maintenance and repairs for office accommodation at courts	26 831
			<b>Programme 1</b>		<b>60 000</b>
Buildings and other fixed structures	Reduced spending due to delays in the implementation of capital works projects <sup>1</sup>	(60 000)	Goods and services	Shortfall in funding for leases for the department's head office	60 000
			<b>Programme 2</b>		<b>130 000</b>
	Reduced spending due to delays in the implementation of capital works projects	(90 000)	Machinery and equipment	Procurement of mobile offices	90 000
	Reduced spending due to delays in the implementation of capital works projects <sup>1</sup>	(40 000)	Goods and services	Shortfall in funding for maintenance and repairs for regional offices	40 000
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>1.0%</b>			
<b>Programme 3</b>		<b>(4 532)</b>	<b>Programme 3</b>		<b>3 022</b>
Goods and services	Cost containment measures effected on agency services	(22)	Payments for financial assets	Offsetting of payment for financial assets for theft and losses	22
	Cost containment measures effected on training and development due to delays in the filling of vacant posts	(3 000)	Households	Claims against the state	3 000
			<b>Programme 5</b>		<b>1 500</b>
	Cost containment measures effected on training and development, operating payments, travel and subsistence, and administration fees due to delays in the filling of vacant posts	(1 500)	Departmental agencies and accounts	Capacitation of the Office of the Public Protector <sup>1</sup>	1 500
			<b>Programme 3</b>		<b>10</b>
Machinery and equipment	Reclassification of funds incorrectly classified in the 2016 ENE	(10)	Software and other intangible assets	Procurement of computer software for a visually impaired employee	10
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>0.1%</b>			
<b>Programme 4</b>		<b>(7 070)</b>	<b>Programme 4</b>		<b>7 070</b>
Goods and services	Cost containment measures effected on travel and subsistence	(1 420)	Payments for financial assets	Offsetting of payment for financial assets for theft and losses	1 420
Machinery and equipment	Cost containment measures effected on communication <sup>2</sup>	(20)	Payments for financial assets	Offsetting of payment for financial assets for theft and losses	20
	Cost containment measures effected on communication <sup>1</sup>	(5 630)	Goods and services	Shortfall in funding for witness protection	5 630
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>(31 834)</b>	<b>Programme 5</b>		<b>31 834</b>
Goods and services	Cost containment measures effected on the appointment of contract workers through agencies	(31 834)	Machinery and equipment	Procurement of a computer server for the head office	31 834
Shifts within the programme as a percentage of the programme budget		1.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(268 347)</b>	<b>268 347</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (Act 1 of 1999).

## Other adjustments – R39 million

### Funds shifted between votes following a function shift – R9 million

#### Programme 1: Administration

R9 million has been transferred to the Office of the Chief Justice and Judicial Administration vote for Microsoft licences following the shift of the administration of the superior courts function.

## Direct charges against the National Revenue Fund – R30 million

R30 million has been transferred from magistrates' salaries to the Office of the Chief Justice and Judicial Administration vote for judges' leave gratuities, following the shift of the judges function.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	R thousand	Apr 15 - Sep 15	Apr 15 - adjusted % of appropriation	Apr 15 - Mar 16	Apr 15 - adjusted % of appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - adjusted % of appropriation	
Administration	1 872 884	819 817	43.8	1 819 166	97.1	2 130 934	11.8	1 027 173	48.2	
Court Services	5 579 138	2 690 205	48.2	5 667 254	101.6	6 061 588	33.6	3 145 902	51.9	
State Legal Services	1 045 669	464 018	44.4	1 002 173	95.8	1 126 469	6.2	530 408	47.1	
National Prosecuting Authority	3 394 538	1 661 120	48.9	3 374 346	99.4	3 557 505	19.7	1 768 511	49.7	
Auxiliary and Associated Services	3 118 544	1 280 078	41.0	3 108 841	99.7	3 164 240	17.5	1 420 369	44.9	
<b>Subtotal</b>	<b>15 010 773</b>	<b>6 915 238</b>	<b>46.1</b>	<b>14 971 780</b>	<b>99.7</b>	<b>16 040 736</b>	<b>88.9</b>	<b>7 892 363</b>	<b>49.2</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>1 830 769</b>	<b>817 564</b>	<b>44.7</b>	<b>1 721 789</b>	<b>94.0</b>	<b>2 010 162</b>	<b>11.1</b>	<b>886 902</b>	<b>44.1</b>	
Magistrates' Salaries	1 830 769	817 564	44.7	1 721 789	94.0	2 010 162	11.1	886 902	44.1	
<b>Total</b>	<b>16 841 542</b>	<b>7 732 802</b>	<b>45.9</b>	<b>16 693 569</b>	<b>99.1</b>	<b>18 050 898</b>	<b>100.0</b>	<b>8 779 265</b>	<b>48.6</b>	
<b>Economic classification</b>	<b>13 494 355</b>	<b>6 154 586</b>	<b>45.6</b>	<b>13 271 854</b>	<b>98.4</b>	<b>14 415 334</b>	<b>79.9</b>	<b>6 892 337</b>	<b>47.8</b>	
Current payments	9 365 286	4 498 496	48.0	9 250 210	98.8	10 040 197	55.6	4 904 226	48.8	
Compensation of employees	4 129 069	1 656 090	40.1	4 021 644	97.4	4 375 137	24.2	1 988 111	45.4	
Goods and services										

Economic classification	2015/16					2016/17			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
<b>Transfers and subsidies</b>	<b>2 373 118</b>	<b>1 168 191</b>	<b>49.2</b>	<b>2 338 067</b>	<b>98.5</b>	<b>2 449 942</b>	<b>13.6</b>	<b>1 191 892</b>	<b>48.6</b>
Provinces and municipalities	477	187	39.2	549	115.1	520	-	271	52.1
Departmental agencies and accounts	2 245 204	1 119 626	49.9	2 246 446	100.1	2 334 713	12.9	1 156 651	49.5
Foreign governments and international organisations	14 440	1 289	8.9	15 833	109.6	15 222	0.1	-	-
Households	112 997	47 089	41.7	75 239	66.6	99 487	0.6	34 970	35.2
<b>Payments for capital assets</b>	<b>972 304</b>	<b>408 188</b>	<b>42.0</b>	<b>1 063 431</b>	<b>109.4</b>	<b>1 180 981</b>	<b>6.5</b>	<b>690 691</b>	<b>58.5</b>
Buildings and other fixed structures	661 523	346 561	52.4	739 502	111.8	721 129	4.0	600 066	83.2
Machinery and equipment	260 700	58 482	22.4	283 457	108.7	459 842	2.5	90 609	19.7
Software and other intangible assets	50 081	3 145	6.3	40 472	80.8	10	-	16	160.0
<b>Payments for financial assets</b>	<b>1 765</b>	<b>1 837</b>	<b>104.1</b>	<b>20 217</b>	<b>1 145.4</b>	<b>4 641</b>	<b>-</b>	<b>4 345</b>	<b>93.6</b>
<b>Total</b>	<b>16 841 542</b>	<b>7 732 802</b>	<b>45.9</b>	<b>16 693 569</b>	<b>99.1</b>	<b>18 050 898</b>	<b>100.0</b>	<b>8 779 265</b>	<b>48.6</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.1 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R8.8 billion, or 48.6 per cent of the adjusted appropriation of R18.1 billion for the year. In comparison, mid-year expenditure in 2015/16 was R7.7 billion, or 45.9 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R1 billion, or 13.5 per cent. This was mainly due to the increase in personnel remuneration costs emanating from the 2015 public sector wage agreement, the effects of inflation on goods and services, as well as payments made for outstanding invoices for capital works projects.

### Departmental receipts

Economic classification	2015/16					2016/17				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>300 954</b>	<b>147 478</b>	<b>49.0</b>	<b>328 627</b>	<b>109.2</b>	<b>358 186</b>	<b>460 254</b>	<b>100.0</b>	<b>185 877</b>	<b>40.4</b>
<b>Tax receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Sales of goods and services produced by department	64 962	32 415	49.9	61 727	95.0	55 932	63 735	13.8	28 927	45.4
Sales of scrap, waste, arms and other used current goods	416	208	50.0	434	104.3	177	177	-	20	11.3
Transfers received	244	-	-	5 134	2 104.1	1 247	112	-	46	41.1
Fines, penalties and forfeits	206 608	103 304	50.0	237 084	114.8	218 233	318 490	69.2	121 910	38.3
Interest, dividends and rent on land	8 474	1 516	17.9	5 221	61.6	11 506	5 506	1.2	3 305	60.0
Sales of capital assets	180	-	-	4 567	2 537.2	967	2 110	0.5	34	1.6
Transactions in financial assets and liabilities	20 070	10 035	50.0	14 459	72.0	70 124	70 124	15.2	31 635	45.1
<b>Total</b>	<b>300 954</b>	<b>147 478</b>	<b>49.0</b>	<b>328 627</b>	<b>109.2</b>	<b>358 186</b>	<b>460 254</b>	<b>100.0</b>	<b>185 877</b>	<b>40.4</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R185.9 million, or 40.4 per cent of the adjusted revenue estimate of R460.3 million for the year. In comparison, mid-year revenue in 2015/16 was R147.5 million, or 49 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R38.4 million, or 26 per cent. This was mainly due to an increase in the number of court fines, penalties and forfeits received.

## Changes to transfers and subsidies

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

R thousand	2016/2017							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>255</b>	-	-	<b>881</b>	-	-	<b>881</b>	<b>1 136</b>
Employee social benefits	255	-	-	881	-	-	881	1 136
<b>Court Services</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	<b>431</b>	-	-	<b>26</b>	-	-	<b>26</b>	<b>457</b>
Vehicle licences	431	-	-	26	-	-	26	457
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>10</b>	-	-	<b>20</b>	-	-	<b>20</b>	<b>30</b>
Communication	10	-	-	20	-	-	20	30
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>19 440</b>	-	-	<b>2 000</b>	-	-	<b>2 000</b>	<b>21 440</b>
Employee social benefits	19 440	-	-	2 000	-	-	2 000	21 440
<b>State Legal Services</b>								
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	<b>-</b>	-	-	<b>3 000</b>	-	-	<b>3 000</b>	<b>3 000</b>
Claims against state	-	-	-	3 000	-	-	3 000	3 000
<b>Auxiliary and Associated Services</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>262 608</b>	-	-	<b>1 500</b>	-	-	<b>1 500</b>	<b>264 108</b>
Public Protector of South Africa	262 608	-	-	1 500	-	-	1 500	264 108



# Vote 22

## Office of the Chief Justice and Judicial Administration

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>864 990</b>	<b>873 990</b>	<b>-</b>	<b>9 000</b>
<i>of which:</i>				
Current payments	837 013	813 179	(23 834)	-
Transfers and subsidies	2 588	1 406	(1 182)	-
Payments for capital assets	25 389	59 405	-	34 016
<b>Direct charge against the National Revenue Fund</b>	<b>920 057</b>	<b>950 057</b>	<b>-</b>	<b>30 000</b>
Executive authority	Minister of Justice and Correctional Services			
Accounting officer	Secretary-General of the Office of the Chief Justice			
Website address	<a href="http://www.judiciary.org.za">www.judiciary.org.za</a>			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first five months of 2016/17 (April to August)	Changed target for 2016/17
Percentage of cases finalised per year:	Judicial Support and Court Administration	Outcome 3: All people in South Africa are and feel safe			
- Constitutional Court			80%	50%	-
- Supreme Court of Appeal			80%	53%	-
- High courts					
• Criminal (with verdict)			64%	37%	-
• Civil			54%	66%	-
- Specialised courts					
• Land claims	54%	73%	-		
• Labour cases	54%	52%	-		
Number of criminal cases on the backlog roll in the high courts	Judicial Support and Court Administration		156	155	-
Number of judicial education courses conducted per year	Judicial Education and Research		70	33	-

### Mid-year progress

Owing to the effective implementation of the norms and standards for the performance of judicial officers, which improves efficiency in the court system, the Office of the Chief Justice expects to meet all of its performance targets by the end of 2016/17.

In the first five months of the financial year, 50 per cent of the cases at the Constitutional Court and 53 per cent of the cases at the Supreme Court of Appeal were finalised, each against annual targets of 80 per cent. Performance on the finalisation of criminal cases with verdicts in the high courts was below the annual target of 64 per cent, mainly because some of the more complex cases took longer than anticipated to be finalised.

66 per cent of the civil cases enrolled in the first five months of 2016/17 were finalised, against the annual target of 54 per cent. This was as result of enhanced practice directions as issued by the judges president and

the deputy judges president. Regarding the performance of specialised courts, 73 per cent of cases in the Land Claims Court and 52 per cent of cases in the Labour Court were finalised against the annual target of 54 per cent. The over-achievement related to land claims was due to enhanced case flow management practices, while the under achievement on the labour court side was due to the more complex and drawn out nature of the cases.

Regarding the number of criminal cases on the backlog roll in the high courts, there were 155 cases on the backlog roll against an annual target of 156 cases. The overachievement on this target was a result of ring fenced backlog cases that were prioritised for finalisation.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	161 173	-	-	(25 174)	-	9 000	(16 174)	144 999
Judicial Support and Court Administration	665 972	-	-	28 084	-	-	28 084	694 056
Judicial Education and Research	37 845	-	-	(2 910)	-	-	(2 910)	34 935
<b>Subtotal</b>	<b>864 990</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 000</b>	<b>9 000</b>	<b>873 990</b>
<b>Direct charge against the National Revenue Fund</b>	<b>920 057</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 000</b>	<b>30 000</b>	<b>950 057</b>
Judges' salaries	920 057	-	-	-	-	30 000	30 000	950 057
<b>Total</b>	<b>1 785 047</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39 000</b>	<b>39 000</b>	<b>1 824 047</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 702 004</b>	<b>-</b>	<b>-</b>	<b>(57 781)</b>	<b>-</b>	<b>37 110</b>	<b>(20 671)</b>	<b>1 681 333</b>
Compensation of employees	1 411 852	-	-	(16 547)	-	28 110	11 563	1 423 415
Goods and services	290 152	-	-	(41 234)	-	9 000	(32 234)	257 918
<b>Transfers and subsidies</b>	<b>57 654</b>	<b>-</b>	<b>-</b>	<b>23 765</b>	<b>-</b>	<b>1 890</b>	<b>25 655</b>	<b>83 309</b>
Provinces and municipalities	95	-	-	(57)	-	-	(57)	38
Departmental agencies and accounts	11	-	-	(10)	-	-	(10)	1
Households	57 548	-	-	23 832	-	1 890	25 722	83 270
<b>Payments for capital assets</b>	<b>25 389</b>	<b>-</b>	<b>-</b>	<b>34 016</b>	<b>-</b>	<b>-</b>	<b>34 016</b>	<b>59 405</b>
Machinery and equipment	25 389	-	-	34 016	-	-	34 016	59 405
<b>Total</b>	<b>1 785 047</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39 000</b>	<b>39 000</b>	<b>1 824 047</b>

### Programme 1: Administration

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Management	36 871	-	-	(7 611)	-	-	(7 611)	29 260
Corporate Services	63 225	-	-	(1 856)	-	9 000	7 144	70 369
Financial Administration	25 466	-	-	(2 121)	-	-	(2 121)	23 345
Internal Audit and Risk Management	14 451	-	-	(1 592)	-	-	(1 592)	12 859
Office Accommodation	21 160	-	-	(11 994)	-	-	(11 994)	9 166
<b>Total</b>	<b>161 173</b>	<b>-</b>	<b>-</b>	<b>(25 174)</b>	<b>-</b>	<b>9 000</b>	<b>(16 174)</b>	<b>144 999</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>159 119</b>	<b>-</b>	<b>-</b>	<b>(34 624)</b>	<b>-</b>	<b>9 000</b>	<b>(25 624)</b>	<b>133 495</b>
Compensation of employees	97 070	-	-	(26 309)	-	-	(26 309)	70 761
Goods and services	62 049	-	-	(8 315)	-	9 000	685	62 734
<b>Transfers and subsidies</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>137</b>	<b>-</b>	<b>-</b>	<b>137</b>	<b>143</b>
Departmental agencies and accounts	2	-	-	(2)	-	-	(2)	-
Households	4	-	-	139	-	-	139	143
<b>Payments for capital assets</b>	<b>2 048</b>	<b>-</b>	<b>-</b>	<b>9 313</b>	<b>-</b>	<b>-</b>	<b>9 313</b>	<b>11 361</b>
Machinery and equipment	2 048	-	-	9 313	-	-	9 313	11 361
<b>Total</b>	<b>161 173</b>	<b>-</b>	<b>-</b>	<b>(25 174)</b>	<b>-</b>	<b>9 000</b>	<b>(16 174)</b>	<b>144 999</b>

**Programme 2: Judicial Support and Court Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration of Superior Courts	44 017	-	-	(26 011)	-	-	(26 011)	18 006
Judicial Service Commission	25 320	-	-	(10 316)	-	-	(10 316)	15 004
Constitutional Court	49 303	-	-	12 231	-	-	12 231	61 534
Supreme Court of Appeal	27 155	-	-	1 283	-	-	1 283	28 438
High Courts	478 770	-	-	70 737	-	-	70 737	549 507
Specialised Courts	41 407	-	-	(19 840)	-	-	(19 840)	21 567
<b>Total</b>	<b>665 972</b>	<b>-</b>	<b>-</b>	<b>28 084</b>	<b>-</b>	<b>-</b>	<b>28 084</b>	<b>694 056</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>640 790</b>	<b>-</b>	<b>-</b>	<b>4 780</b>	<b>-</b>	<b>-</b>	<b>4 780</b>	<b>645 570</b>
Compensation of employees	434 270	-	-	37 404	-	-	37 404	471 674
Goods and services	206 520	-	-	(32 624)	-	-	(32 624)	173 896
<b>Transfers and subsidies</b>	<b>2 579</b>	<b>-</b>	<b>-</b>	<b>(1 317)</b>	<b>-</b>	<b>-</b>	<b>(1 317)</b>	<b>1 262</b>
Provinces and municipalities	95	-	-	(57)	-	-	(57)	38
Departmental agencies and accounts	9	-	-	(8)	-	-	(8)	1
Households	2 475	-	-	(1 252)	-	-	(1 252)	1 223
<b>Payments for capital assets</b>	<b>22 603</b>	<b>-</b>	<b>-</b>	<b>24 621</b>	<b>-</b>	<b>-</b>	<b>24 621</b>	<b>47 224</b>
Machinery and equipment	22 603	-	-	24 621	-	-	24 621	47 224
<b>Total</b>	<b>665 972</b>	<b>-</b>	<b>-</b>	<b>28 084</b>	<b>-</b>	<b>-</b>	<b>28 084</b>	<b>694 056</b>

**Programme 3: Judicial Education and Research**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
South African Judicial Education Institute	30 218	-	-	-	-	-	-	30 218
Judicial Policy and Research	7 627	-	-	(2 910)	-	-	(2 910)	4 717
<b>Total</b>	<b>37 845</b>	<b>-</b>	<b>-</b>	<b>(2 910)</b>	<b>-</b>	<b>-</b>	<b>(2 910)</b>	<b>34 935</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>37 104</b>	<b>-</b>	<b>-</b>	<b>(2 990)</b>	<b>-</b>	<b>-</b>	<b>(2 990)</b>	<b>34 114</b>
Compensation of employees	15 521	-	-	(2 695)	-	-	(2 695)	12 826
Goods and services	21 583	-	-	(295)	-	-	(295)	21 288
<b>Transfers and subsidies</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>1</b>
Households	3	-	-	(2)	-	-	(2)	1
<b>Payments for capital assets</b>	<b>738</b>	<b>-</b>	<b>-</b>	<b>82</b>	<b>-</b>	<b>-</b>	<b>82</b>	<b>820</b>
Machinery and equipment	738	-	-	82	-	-	82	820
<b>Total</b>	<b>37 845</b>	<b>-</b>	<b>-</b>	<b>(2 910)</b>	<b>-</b>	<b>-</b>	<b>(2 910)</b>	<b>34 935</b>

**Direct charge against the National Revenue Fund**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Judges' salaries	920 057	-	-	-	-	30 000	30 000	950 057
<b>Total</b>	<b>920 057</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 000</b>	<b>30 000</b>	<b>950 057</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>864 991</b>	<b>-</b>	<b>-</b>	<b>(24 947)</b>	<b>-</b>	<b>28 110</b>	<b>3 163</b>	<b>868 154</b>
Compensation of employees	864 991	-	-	(24 947)	-	28 110	3 163	868 154
<b>Transfers and subsidies</b>	<b>55 066</b>	<b>-</b>	<b>-</b>	<b>24 947</b>	<b>-</b>	<b>1 890</b>	<b>26 837</b>	<b>81 903</b>
Households	55 066	-	-	24 947	-	1 890	26 837	81 903
<b>Total</b>	<b>920 057</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 000</b>	<b>30 000</b>	<b>950 057</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

Programmes					
1. Administration					
2. Judicial Support and Court Administration					
3. Judicial Education and Research					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(34 626)</b>	<b>Programme 2</b>		<b>26 309</b>
Compensation of employees	Vacant posts	(26 309)	Compensation of employees	Capacitation of superior courts	26 309
Goods and services	Cost containment measures effected on operating leases and travel	(8 315)	<b>Programme 1</b>		<b>8 317</b>
			Machinery and equipment	Computer equipment	8 315
Departmental agencies and accounts	Reallocation of funds from television licence fees	(2)	Machinery and equipment	Finance leases	2
Shifts within the programme as a percentage of the programme budget		5.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>16.3%<sup>1</sup></b>			
<b>Programme 2</b>		<b>(42 341)</b>	<b>Programme 1</b>		<b>970</b>
Goods and services	Cost containment measures effected on catering, travel and venues and facilities	(970)	Machinery and equipment	Computer equipment	970
			<b>Programme 2</b>		<b>31 584</b>
	Cost containment measures effected on catering, consultants, communication, agency and support/outourced services, computer services, operating payments, travel and venues and facilities	(31 584)	Machinery and equipment	Vehicles for judges	31 584
			<b>Programme 3</b>		<b>70</b>
	Cost containment measures effected on catering, travel and venues and facilities	(70)	Machinery and equipment	Finance leases	70
Households	Reallocation of funds from leave gratuities due to lower than anticipated spending	(24)	<b>Programme 1</b>		<b>163</b>
			Machinery and equipment	Finance leases	24
	Reallocation of funds from leave gratuities	(139)	Households	Leave gratuities	139
			<b>Programme 2</b>		<b>706</b>
	Reallocation of funds from leave gratuities due to lower than anticipated spending	(706)	Machinery and equipment	Vehicles for judges	706
			<b>Programme 3</b>		<b>391</b>
	Reallocation of funds from leave gratuities due to lower than anticipated spending	(371)	Goods and services	Legal services	371
	Reallocation of funds from leave gratuities due to lower than anticipated spending	(12)	Machinery and equipment	Finance leases	12
Departmental agencies and accounts	Reallocation of funds from television licence fees	(8)	Goods and services	Legal services	8
			<b>Programme 2</b>		<b>8 400</b>
Machinery and equipment	Reallocation of funds from transport equipment <sup>1</sup>	(8 400)	Compensation of employees	Capacitation of superior courts <sup>1</sup>	8 400
			<b>Programme 3</b>		<b>57</b>
Provinces and municipalities	Reallocation of funds from vehicle licences due to lower than anticipated spending	(57)	Goods and services	Legal services	57
Shifts within the programme as a percentage of the programme budget		12.8%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.2%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>			<b>Programme 2</b>		
Compensation of employees	Vacant posts	(3 428) (2 695)	Compensation of employees	Capacitation of superior courts	3 426 2 695
Goods and services	Cost containment measures effected on travel	(731)	Machinery and equipment	Vehicles for judges	731
Households	Reallocation of funds from leave gratuities due to lower than anticipated spending	(2)	<b>Programme 1</b>		<b>2</b>
			Machinery and equipment	Finance leases	2
Shifts within the programme as a percentage of the programme budget		1.7%			
Virements to other programmes as a percentage of the programme budget		9.1% <sup>1</sup>			
<b>Direct charge against the National Revenue Fund</b>			<b>Direct charge against the National Revenue Fund</b>		
Compensation of employees	Reallocation of funds from judges' salaries	(24 947)	Households	Leave gratuities for retired judges	24 947
Shifts within the programme as a percentage of the programme budget		2.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(105 342)</b>	<b>105 342</b>		

1. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Other adjustments – R9 million

### Funds shifted between votes – R9 million

Programme 1: Administration

R9 million has been transferred from the Department of Justice and Constitutional Development for the payment of Microsoft software licences.

## Direct charges against the National Revenue Fund

### Other adjustments – R30 million

#### Funds shifted between votes – R30 million

Judges' salaries

R30 million has been transferred from the Department of Justice and Constitutional Development for the payment of judges' salaries.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	adjusted % of appropriation	Apr 15 - Mar 16	adjusted % of appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	adjusted % of appropriation	
Administration	99 479	27 332	27.5	88 836	89.3	144 999	7.9	71 421	49.3	
Judicial Support and Court Administration	649 541	271 978	41.9	648 208	99.8	694 056	38.1	304 440	43.9	
Judicial Education and Research	34 359	7 303	21.3	30 642	89.2	34 935	1.9	14 389	41.2	
<b>Subtotal</b>	<b>783 379</b>	<b>306 613</b>	<b>39.1</b>	<b>767 686</b>	<b>98.0</b>	<b>873 990</b>	<b>47.9</b>	<b>390 250</b>	<b>44.7</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>873 748</b>	<b>419 003</b>	<b>48.0</b>	<b>887 682</b>	<b>101.6</b>	<b>950 057</b>	<b>52.1</b>	<b>476 666</b>	<b>50.2</b>	
Judges' salaries	873 748	419 003	48.0	887 682	101.6	950 057	52.1	476 666	50.2	
<b>Total</b>	<b>1 657 127</b>	<b>725 616</b>	<b>43.8</b>	<b>1 655 368</b>	<b>99.9</b>	<b>1 824 047</b>	<b>100.0</b>	<b>866 916</b>	<b>47.5</b>	

2016 Adjusted Estimates of National Expenditure

Economic classification	2015/16					2016/17			
	Adjusted estimate	Audited outcome			Actual receipts				
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
R thousand									
<b>Current payments</b>	<b>1 576 596</b>	<b>686 511</b>	<b>43.5</b>	<b>1 501 231</b>	<b>95.2</b>	<b>1 681 333</b>	<b>92.2</b>	<b>804 282</b>	<b>47.8</b>
Compensation of employees	1 323 827	628 240	47.5	1 303 706	98.5	1 423 415	78.0	698 065	49.0
Goods and services	252 769	58 271	23.1	197 512	78.1	257 918	14.1	106 217	41.2
Interest and rent on land	-	-	-	13	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>53 668</b>	<b>33 274</b>	<b>62.0</b>	<b>56 214</b>	<b>104.7</b>	<b>83 309</b>	<b>4.6</b>	<b>38 257</b>	<b>45.9</b>
Provinces and municipalities	63	-	-	-	-	38	-	1	2.6
Departmental agencies and accounts	2	-	-	-	-	1	-	-	-
Households	53 603	33 274	62.1	56 214	104.9	83 270	4.6	38 256	45.9
<b>Payments for capital assets</b>	<b>26 863</b>	<b>5 824</b>	<b>21.7</b>	<b>97 916</b>	<b>364.5</b>	<b>59 405</b>	<b>3.3</b>	<b>24 377</b>	<b>41.0</b>
Machinery and equipment	26 863	5 800	21.6	97 456	362.8	59 405	3.3	24 377	41.0
Software and other intangible assets	-	24	0.0	460	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 657 127</b>	<b>725 616</b>	<b>43.8</b>	<b>1 655 368</b>	<b>99.9</b>	<b>1 824 047</b>	<b>100.0</b>	<b>866 916</b>	<b>47.5</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.9 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R866.9 million, or 47.5 per cent of the adjusted appropriation of R1.8 billion for the year. In comparison, mid-year expenditure in 2015/16 was R725.6 million, or 43.8 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R141.3 million, or 19.5 per cent. This was mainly due to increased payments for office accommodation, an increase in personnel remuneration emanating from the filling of vacant posts, and the payment of invoices for G-fleet services, which had been unpaid in the previous financial year due to a delay in the invoice reconciliation process.

### Departmental receipts

Economic classification	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>354</b>	<b>354</b>	<b>100.0</b>	<b>778</b>	<b>219.8</b>	<b>784</b>	<b>784</b>	<b>100.0</b>	<b>499</b>	<b>63.6</b>
Sales of goods and services produced by department	247	247	100.0	532	215.4	510	580	74.0	368	63.4
Sales of scrap, waste, arms and other used current goods	-	-	-	1	-	-	16	2.0	10	62.5
Fines, penalties and forfeits	-	-	-	30	-	41	92	11.7	50	54.3
Interest, dividends and rent on land	-	-	-	21	-	-	-	-	-	-
Transactions in financial assets and liabilities	107	107	100.0	194	181.3	233	96	12.2	71	74.0
<b>Total</b>	<b>354</b>	<b>354</b>	<b>100.0</b>	<b>778</b>	<b>219.8</b>	<b>784</b>	<b>784</b>	<b>100.0</b>	<b>499</b>	<b>63.6</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R499 000, or 63.6 per cent of the adjusted revenue estimate of R784 000 for the year. In comparison, mid-year revenue in 2015/16 was R354 000, or 100 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R145 000, or 41 per cent. This was mainly due to an increase in revenue generated from sales of goods and services produced by the department, which includes charging for photocopies, managing garnishee orders and selling minor assets.

## Changes to transfers and subsidies

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Administration</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>2</b>	-	-	<b>(2)</b>	-	-	<b>(2)</b>	-
Communication	2	-	-	(2)	-	-	(2)	-
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>4</b>	-	-	<b>139</b>	-	-	<b>139</b>	<b>143</b>
Employee social benefits	4	-	-	139	-	-	139	143
<b>Judicial Support and Court Administration</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal agencies and funds</b>								
<b>Current</b>	<b>95</b>	-	-	<b>(57)</b>	-	-	<b>(57)</b>	<b>38</b>
Vehicle licences	95	-	-	(57)	-	-	(57)	38
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>9</b>	-	-	<b>(8)</b>	-	-	<b>(8)</b>	<b>1</b>
Communication	9	-	-	(8)	-	-	(8)	1
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>2 475</b>	-	-	<b>(1 252)</b>	-	-	<b>(1 252)</b>	<b>1 223</b>
Employee social benefits	2 475	-	-	(1 252)	-	-	(1 252)	1 223
<b>Judicial Education and Research</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>3</b>	-	-	<b>(2)</b>	-	-	<b>(2)</b>	<b>1</b>
Employee social benefits	3	-	-	(2)	-	-	(2)	1
<b>Direct charge against the National Revenue Fund</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>55 066</b>	-	-	<b>24 947</b>	-	-	<b>26 837</b>	<b>81 903</b>
Judges' salaries	55 066	-	-	24 947	-	-	26 837	81 903



# Vote 23

## Police

### Adjusted budget summary

		2016/17		
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>80 984 851</b>	<b>80 984 851</b>	-	-
<b>of which:</b>				
Current payments	77 007 561	77 152 559	-	144 998
Transfers and subsidies	960 998	993 314	-	32 316
Payments for capital assets	3 016 292	2 838 978	(177 314)	-
Executive authority	Minister of Police			
Accounting officer	National Commissioner of the South African Police Service			
Website address	www.saps.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance			
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September) <sup>1</sup>	Changed target for 2016/17	
Number of serious crimes reported per year	Visible Policing	Outcome 3: All people in South Africa are and feel safe	1 754 619 <sup>2</sup>	427 481	-	
Number of reported crimes for unlawful possession of, and dealing in, drugs per year	Visible Policing		332 929 <sup>2</sup>	67 713	-	
Total number of rural and rural/urban mixed police stations implementing the minimum criteria of the four pillars of the rural safety strategy	Visible Policing		759	795	-	
Percentage of police stations rendering a victim friendly service to victims of rape, sexual offences and abuse	Visible Policing		100%	100% (1 140)	-	
Percentage of crime related hits reacted to as a result of the movement control screening of:	Visible Policing		- Wanted persons	100%	100% (582)	-
- Circulated stolen or robbed vehicles			100%	100% (844)	-	
Percentage of medium to high risk incidents stabilised in relation to requests received			100%	100% (4 791)	-	
Detection rate for serious crimes per year	Detective Services		38%	36.45%	-	
Percentage of trial ready case dockets for serious crimes per year	Detective Services		64%	83.07%	-	
Percentage of trial ready case dockets for crimes dependent on police action for detection per year	Detective Services		65.04% <sup>2</sup> (139 025)	74.4%	-	
Percentage of trial ready case dockets for serious commercial crime related charges per year	Detective Services		53%	72.71%	-	
Percentage of original previous conviction reports for formally charged individuals generated within 15 calendar days per year	Detective Services		95% generated within 15 calendar days	95.66%	-	
Number of network operations conducted	Crime Intelligence		833	115	-	
Percentage of national key points evaluated in compliance with the National Key Points Act (1980)	Protection and Security Services		100% <sup>2</sup> (204)	25.77% (50/194)	-	

1. Only data for the first quarter has been included as the data for the second quarter was not available at the time of publication.

2. The targets differ from those published in the department's 2016/17 annual performance plan as the targets in the plan were finalised after the Estimates of National Expenditure had been published.

## Mid-year progress

The introduction of the Back to Basics approach to policing at the end of 2015, which focuses on the diagnosis of underperformance in the police service and the implementation of corrective measures, has led to improved performance in relation to most of the department's indicators in the first quarter of 2016/17, compared to the same period in 2015/16.

In the first quarter of 2016/17, the department's performance was ahead of annual targets for the percentage of trial ready case dockets for serious crime, crime dependent on police action for detection and serious commercial crime related charges. The percentage of trial ready case dockets for serious crimes increased from 66.9 per cent in the first quarter of 2015/16 to 83.07 per cent in the same period in 2016/17.

The percentage of trial ready case dockets for crimes dependent on police action for detection increased from 56.29 per cent in the first quarter of 2015/16 to 74.4 per cent in the first quarter of 2016/17, while the percentage of trial ready case dockets for serious commercial crime related charges increased from 59.8 per cent in the first quarter of 2015/16 to 72.71 per cent in the same period in 2016/17. The improved performance was mainly due to the implementation of a recovery plan for detective services in the first quarter of 2016/17, in line with the Back to Basics approach.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	17 559 811	-	-	(177 314)	-	-	(177 314)	17 382 497
Visible Policing	40 675 755	-	-	190 151	-	-	190 151	40 865 906
Detective Services	16 789 609	-	-	(17 121)	-	-	(17 121)	16 772 488
Crime Intelligence	3 350 534	-	-	4 284	-	-	4 284	3 354 818
Protection and Security Services	2 609 142	-	-	-	-	-	-	2 609 142
<b>Total</b>	<b>80 984 851</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80 984 851</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>77 007 561</b>	<b>-</b>	<b>-</b>	<b>144 998</b>	<b>-</b>	<b>-</b>	<b>144 998</b>	<b>77 152 559</b>
Compensation of employees	62 070 439	-	-	(32 316)	-	-	(32 316)	62 038 123
Goods and services	14 937 122	-	-	177 314	-	-	177 314	15 114 436
<b>Transfers and subsidies</b>	<b>960 998</b>	<b>-</b>	<b>-</b>	<b>32 316</b>	<b>-</b>	<b>-</b>	<b>32 316</b>	<b>993 314</b>
Provinces and municipalities	40 567	-	-	-	-	-	-	40 567
Departmental agencies and accounts	149 440	-	-	-	-	-	-	149 440
Households	770 991	-	-	32 316	-	-	32 316	803 307
<b>Payments for capital assets</b>	<b>3 016 292</b>	<b>-</b>	<b>-</b>	<b>(177 314)</b>	<b>-</b>	<b>-</b>	<b>(177 314)</b>	<b>2 838 978</b>
Buildings and other fixed structures	1 051 350	-	-	(177 314)	-	-	(177 314)	874 036
Machinery and equipment	1 959 242	-	-	(2 200)	-	-	(2 200)	1 957 042
Biological assets	5 700	-	-	2 200	-	-	2 200	7 900
<b>Total</b>	<b>80 984 851</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80 984 851</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry Management	39 313	-	-	33 348	-	-	33 348	72 661
Corporate Services	72 283	-	-	-	-	-	-	72 283
Civilian Secretariat	17 337 623	-	-	(210 662)	-	-	(210 662)	17 126 961
<b>Total</b>	<b>17 559 811</b>	<b>-</b>	<b>-</b>	<b>(177 314)</b>	<b>-</b>	<b>-</b>	<b>(177 314)</b>	<b>17 382 497</b>

**Programme 1: Administration (continued)**

Economic classification		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>15 583 565</b>	–	–	(10 806)	–	–	(10 806)	<b>15 572 759</b>
Compensation of employees	11 205 496	–	–	(10 806)	–	–	(10 806)	11 194 690
Goods and services	4 378 069	–	–	–	–	–	–	4 378 069
<b>Transfers and subsidies</b>	<b>643 348</b>	–	–	<b>10 806</b>	–	–	<b>10 806</b>	<b>654 154</b>
Provinces and municipalities	7 174	–	–	–	–	–	–	7 174
Departmental agencies and accounts	149 440	–	–	–	–	–	–	149 440
Households	486 734	–	–	10 806	–	–	10 806	497 540
<b>Payments for capital assets</b>	<b>1 332 898</b>	–	–	<b>(177 314)</b>	–	–	<b>(177 314)</b>	<b>1 155 584</b>
Buildings and other fixed structures	1 051 350	–	–	(177 314)	–	–	(177 314)	874 036
Machinery and equipment	275 848	–	–	(2 200)	–	–	(2 200)	273 648
Biological assets	5 700	–	–	2 200	–	–	2 200	7 900
<b>Total</b>	<b>17 559 811</b>	–	–	<b>(177 314)</b>	–	–	<b>(177 314)</b>	<b>17 382 497</b>

**Programme 2: Visible Policing**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>39 587 497</b>	–	–	<b>177 314</b>	–	–	<b>177 314</b>	<b>39 764 811</b>
Crime Prevention	31 989 579	–	–	337	–	–	337	31 989 916
Border Security	1 845 992	–	–	(27 444)	–	–	(27 444)	1 818 548
Specialised Interventions	3 317 059	–	–	39 944	–	–	39 944	3 357 003
Facilities	3 523 125	–	–	177 314	–	–	177 314	3 700 439
<b>Total</b>	<b>40 675 755</b>	–	–	<b>190 151</b>	–	–	<b>190 151</b>	<b>40 865 906</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>39 587 497</b>	–	–	<b>177 314</b>	–	–	<b>177 314</b>	<b>39 764 811</b>
Compensation of employees	32 304 514	–	–	–	–	–	–	32 304 514
Goods and services	7 282 983	–	–	177 314	–	–	177 314	7 460 297
<b>Transfers and subsidies</b>	<b>213 617</b>	–	–	<b>12 837</b>	–	–	<b>12 837</b>	<b>226 454</b>
Provinces and municipalities	21 775	–	–	–	–	–	–	21 775
Households	191 842	–	–	12 837	–	–	12 837	204 679
<b>Payments for capital assets</b>	<b>874 641</b>	–	–	–	–	–	–	<b>874 641</b>
Machinery and equipment	874 641	–	–	–	–	–	–	874 641
<b>Total</b>	<b>40 675 755</b>	–	–	<b>190 151</b>	–	–	<b>190 151</b>	<b>40 865 906</b>

**Programme 3: Detective Services**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>16 035 264</b>	–	–	<b>(20 333)</b>	–	–	<b>(20 333)</b>	<b>16 014 931</b>
Compensation of employees	13 227 372	–	–	(20 333)	–	–	(20 333)	13 207 039
Goods and services	2 807 892	–	–	–	–	–	–	2 807 892
<b>Transfers and subsidies</b>	<b>86 889</b>	–	–	<b>3 212</b>	–	–	<b>3 212</b>	<b>90 101</b>
Provinces and municipalities	9 604	–	–	–	–	–	–	9 604
Households	77 285	–	–	3 212	–	–	3 212	80 497
<b>Payments for capital assets</b>	<b>667 456</b>	–	–	–	–	–	–	<b>667 456</b>
Machinery and equipment	667 456	–	–	–	–	–	–	667 456
<b>Total</b>	<b>16 789 609</b>	–	–	<b>(17 121)</b>	–	–	<b>(17 121)</b>	<b>16 772 488</b>

**Programme 4: Crime Intelligence**

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Crime Intelligence Operations	1 381 066	-	-	(11 449)	-	-	(11 449)	1 369 617
Intelligence and Information Management	1 969 468	-	-	15 733	-	-	15 733	1 985 201
<b>Total</b>	<b>3 350 534</b>	<b>-</b>	<b>-</b>	<b>4 284</b>	<b>-</b>	<b>-</b>	<b>4 284</b>	<b>3 354 818</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 298 363</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 298 363</b>
Compensation of employees	3 053 973	-	-	-	-	-	-	3 053 973
Goods and services	244 390	-	-	-	-	-	-	244 390
<b>Transfers and subsidies</b>	<b>12 039</b>	<b>-</b>	<b>-</b>	<b>4 284</b>	<b>-</b>	<b>-</b>	<b>4 284</b>	<b>16 323</b>
Provinces and municipalities	1 041	-	-	-	-	-	-	1 041
Households	10 998	-	-	4 284	-	-	4 284	15 282
<b>Payments for capital assets</b>	<b>40 132</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40 132</b>
Machinery and equipment	40 132	-	-	-	-	-	-	40 132
<b>Total</b>	<b>3 350 534</b>	<b>-</b>	<b>-</b>	<b>4 284</b>	<b>-</b>	<b>-</b>	<b>4 284</b>	<b>3 354 818</b>

**Programme 5: Protection and Security Services**

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
VIP Protection Services	1 263 851	-	-	11 365	-	-	11 365	1 275 216
Static and Mobile Security	967 182	-	-	(11 365)	-	-	(11 365)	955 817
Government Security Regulator	124 120	-	-	-	-	-	-	124 120
Operational Support	253 989	-	-	-	-	-	-	253 989
<b>Total</b>	<b>2 609 142</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 609 142</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 502 872</b>	<b>-</b>	<b>-</b>	<b>(1 177)</b>	<b>-</b>	<b>-</b>	<b>(1 177)</b>	<b>2 501 695</b>
Compensation of employees	2 279 084	-	-	(1 177)	-	-	(1 177)	2 277 907
Goods and services	223 788	-	-	-	-	-	-	223 788
<b>Transfers and subsidies</b>	<b>5 105</b>	<b>-</b>	<b>-</b>	<b>1 177</b>	<b>-</b>	<b>-</b>	<b>1 177</b>	<b>6 282</b>
Provinces and municipalities	973	-	-	-	-	-	-	973
Households	4 132	-	-	1 177	-	-	1 177	5 309
<b>Payments for capital assets</b>	<b>101 165</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101 165</b>
Machinery and equipment	101 165	-	-	-	-	-	-	101 165
<b>Total</b>	<b>2 609 142</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 609 142</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes**

Programmes					
1. Administration					
2. Visible Policing					
3. Detective Services					
4. Crime Intelligence					
5. Protection and Security Services					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(190 320)</b>	<b>Programme 1</b>		<b>10 806</b>
Compensation of employees	Vacant posts <sup>1</sup>	(10 806)	Households	Leave gratuities	10 806
			<b>Programme 2</b>		<b>177 314</b>
Buildings and other fixed structures	Reallocation of funds from buildings due to projected underspending on projects implemented by the Department of Public Works on behalf of the department <sup>1</sup>	(177 314)	Goods and services	Operating leases	177 314

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Machinery and equipment	Cost containment measures effected on machinery and equipment	(2 200)	Programme 1		2 200
			Biological assets	Procurement of police dogs	2 200
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		1.0%			
<b>Programme 3</b>		<b>(20 333)</b>	<b>Programme 3</b>		<b>3 212</b>
Compensation of employees	Vacant posts <sup>1</sup>	(3 212)	Households	Leave gratuities	3 212
	Vacant posts <sup>1</sup>	(12 837)	<b>Programme 2</b>		<b>12 837</b>
	Vacant posts <sup>1</sup>	(4 284)	Households	Leave gratuities	12 837
Shifts within the programme as a percentage of the programme budget		0.0%	<b>Programme 4</b>		<b>4 284</b>
Virements to other programmes as a percentage of the programme budget		0.1%	Households	Leave gratuities	4 284
<b>Programme 5</b>		<b>(1 177)</b>	<b>Programme 5</b>		<b>1 177</b>
Compensation of employees	Vacant posts <sup>1</sup>	(1 177)	Households	Leave gratuities	1 177
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%			
<b>Total</b>		<b>(211 830)</b>			<b>211 830</b>

1. National Treasury approval has been obtained.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16 % of adjusted appropriation	Apr 15 - Mar 16 % of adjusted appropriation	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Sep 16 % of adjusted appropriation
R thousand										
Administration	16 609 332	7 739 055	46.6	16 936 289	102.0	17 382 497	21.5	8 600 222	49.5	49.5
Visible Policing	38 444 422	18 365 138	47.8	38 321 105	99.7	40 865 906	50.5	19 646 924	48.1	48.1
Detective Services	16 092 427	7 248 590	45.0	15 947 270	99.1	16 772 488	20.7	7 765 087	46.3	46.3
Crime Intelligence	3 146 936	1 492 775	47.4	3 102 039	98.6	3 354 818	4.1	1 655 187	49.3	49.3
Protection and Security Services	2 427 731	1 158 932	47.7	2 414 098	99.4	2 609 142	3.2	1 254 397	48.1	48.1
<b>Total</b>	<b>76 720 848</b>	<b>36 004 490</b>	<b>46.9</b>	<b>76 720 801</b>	<b>100.0</b>	<b>80 984 851</b>	<b>100.0</b>	<b>38 921 817</b>	<b>48.1</b>	<b>48.1</b>
<b>Economic classification</b>										
<b>Current payments</b>	<b>72 903 203</b>	<b>34 933 264</b>	<b>47.9</b>	<b>72 714 022</b>	<b>99.7</b>	<b>77 152 559</b>	<b>95.3</b>	<b>37 912 671</b>	<b>49.1</b>	<b>49.1</b>
Compensation of employees	58 277 125	28 169 748	48.3	57 478 371	98.6	62 038 123	76.6	30 944 378	49.9	49.9
Goods and services	14 626 078	6 763 516	46.2	15 235 651	104.2	15 114 436	18.7	6 968 293	46.1	46.1
<b>Transfers and subsidies</b>	<b>952 394</b>	<b>474 528</b>	<b>49.8</b>	<b>990 866</b>	<b>104.0</b>	<b>993 314</b>	<b>1.2</b>	<b>510 488</b>	<b>51.4</b>	<b>51.4</b>
Provinces and municipalities	36 971	18 653	50.5	40 051	108.3	40 567	0.1	23 048	56.8	56.8
Departmental agencies and accounts	150 045	60 243	40.1	155 682	103.8	149 440	0.2	71 177	47.6	47.6
Non-profit institutions	1 000	-	-	1 000	100.0	-	-	-	-	-
Households	764 378	395 632	51.8	794 133	103.9	803 307	1.0	416 263	51.8	51.8
<b>Payments for capital assets</b>	<b>2 865 251</b>	<b>586 568</b>	<b>20.5</b>	<b>3 004 037</b>	<b>104.8</b>	<b>2 838 978</b>	<b>3.5</b>	<b>490 162</b>	<b>17.3</b>	<b>17.3</b>
Buildings and other fixed structures	998 720	255 646	25.6	1 192 364	119.4	874 036	1.1	386 563	44.2	44.2
Machinery and equipment	1 856 531	330 743	17.8	1 808 056	97.4	1 957 042	2.4	100 207	5.1	5.1
Biological assets	10 000	179	1.8	3 617	36.2	7 900	-	3 392	42.9	42.9
<b>Payments for financial assets</b>	<b>-</b>	<b>10 130</b>	<b>-</b>	<b>11 876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8 496</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>76 720 848</b>	<b>36 004 490</b>	<b>46.9</b>	<b>76 720 801</b>	<b>100.0</b>	<b>80 984 851</b>	<b>100.0</b>	<b>38 921 817</b>	<b>48.1</b>	<b>48.1</b>

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 100 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R38.9 billion, or 48.1 per cent of the adjusted appropriation of R81 billion for the year. In comparison, mid-year expenditure in 2015/16 was R36 billion, or 46.9 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R2.9 billion, or 8.1 per cent. This was mainly due to the increase in

compensation of employees as a result of the implementation of cost of living adjustments for employees at levels 1 to 12 emanating from the 2015 public sector wage agreement.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>343 841</b>	<b>213 738</b>	<b>62.2</b>	<b>478 192</b>	<b>139.1</b>	<b>296 700</b>	<b>497 993</b>	<b>100.0</b>	<b>269 285</b>	<b>54.1</b>
Sales of goods and services produced by department	161 511	100 824	62.4	205 250	127.1	140 870	211 808	42.5	110 384	52.1
Sales of scrap, waste, arms and other used current goods	15 838	12 655	79.9	32 370	204.4	9 900	25 010	5.0	16 385	65.5
Fines, penalties and forfeits	10 650	4 028	37.8	11 184	105.0	10 520	1 573	0.3	(9 400)	(597.6)
Interest, dividends and rent on land	821	597	72.7	1 128	137.4	765	1 133	0.2	602	53.1
Sales of capital assets	19 108	14 820	77.6	62 650	327.9	2 700	83 100	16.7	45 271	54.5
Transactions in financial assets and liabilities	135 913	80 814	59.5	165 610	121.9	131 945	175 369	35.2	106 043	60.5
<b>Total</b>	<b>343 841</b>	<b>213 738</b>	<b>62.2</b>	<b>478 192</b>	<b>139.1</b>	<b>296 700</b>	<b>497 993</b>	<b>100.0</b>	<b>269 285</b>	<b>54.1</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R269.3 million, or 54.1 per cent of the adjusted revenue estimate of R498 million for the year. In comparison, mid-year revenue in 2015/16 was R213.7 million, or 62.2 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R55.5 million or 26 per cent. This was mainly due to more revenue collected from services provided by the department, such as the issuing of firearm licences and proceeds from the sale of capital assets at public auctions.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
Households								
Social benefits								
Current	158 717	-	-	10 806	-	-	10 806	169 523
Employee social benefits	158 717	-	-	10 806	-	-	10 806	169 523
<b>Visible Policing</b>								
Households								
Social benefits								
Current	138 451	-	-	12 837	-	-	12 837	151 288
Employee social benefits	138 451	-	-	12 837	-	-	12 837	151 288
<b>Detective Services</b>								
Households								
Social benefits								
Current	77 285	-	-	3 212	-	-	3 212	80 497
Employee social benefits	77 285	-	-	3 212	-	-	3 212	80 497
<b>Crime Intelligence</b>								
Households								
Social benefits								
Current	10 998	-	-	4 284	-	-	4 284	15 282
Employee social benefits	10 998	-	-	4 284	-	-	4 284	15 282
<b>Protection and Security Services</b>								
Households								
Social benefits								
Current	4 132	-	-	1 177	-	-	1 177	5 309
Employee social benefits	4 132	-	-	1 177	-	-	1 177	5 309

# Vote 24

## Agriculture, Forestry and Fisheries

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>6 332 965</b>	<b>6 514 965</b>	<b>–</b>	<b>182 000</b>
<b>of which:</b>				
Current payments	2 716 051	2 837 633	–	121 582
Transfers and subsidies	3 496 087	3 510 179	–	14 092
Payments for capital assets	120 827	167 153	–	46 326
Executive authority	Minister of Agriculture, Forestry and Fisheries			
Accounting officer	Director-General of Agriculture, Forestry and Fisheries			
Website address	www.daff.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of animal and plant improvement schemes for prioritised value chain commodities monitored per year	Agricultural Production, Health and Food Safety	Outcome 7: Comprehensive rural development and land reform	4	2	–
Number of surveillances on animal diseases conducted per year	Agricultural Production, Health and Food Safety		2	1	–
Number of surveillances on plant diseases conducted per year	Agricultural Production, Health and Food Safety		1	0	–
Number of mobile veterinary clinics provided to improve animal health in rural areas per year	Agricultural Production, Health and Food Safety		10	0	32
Number of veterinary graduates deployed for the compulsory veterinary services programme per year	Agricultural Production, Health and Food Safety		140	129	–
Number of subsistence and smallholder producers supported per year	Food Security and Agrarian Reform		145 000	0	–
Number of hectares in underutilised areas cultivated in communal areas per year	Food Security and Agrarian Reform		120 000ha	0	–
Number of jobs created through the comprehensive agricultural support programme and Ilima/Letsema funded projects per year	Food Security and Agrarian Reform		20 000	1 213	–

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of agro-processing entrepreneurs trained on processing norms and standards per year	Trade Promotion and Market Access	Outcome 7: Comprehensive rural development and land reform	12	16	-
Number of hectares of land restored through reforestation and land rehabilitation per year	Forestry and Natural Resources Management		16 300ha	1 330.49ha	-
Number of jobs created through the refurbishment of category B and C plantations for the expanded public works programme per year	Forestry and Natural Resources Management	Outcome 4: Decent employment through inclusive economic growth	2 400	593	-
Number of hectares of temporary unplanted areas planted per year	Forestry and Natural Resources Management	Outcome 10: Protect and enhance our environmental assets and natural resources	1 725ha	0	-
Number of full time equivalent LandCare jobs created per year	Forestry and Natural Resources Management	Outcome 4: Decent employment through inclusive economic growth	800	319	-

#### Changes to indicators and targets published in the 2016 ENE

The annual target for the number of mobile veterinary clinics provided to improve animal health in rural areas has been revised upwards from 10 to 32. The revised target will be funded through a virement of R10.2 million from vacant posts in compensation of employees to transport and equipment in capital assets, within the *Animal Production and Health* subprogramme in the *Agricultural Production, Health and Food Safety* programme for the procurement of mobile veterinary clinics.

#### Mid-year progress

Although the prevailing drought has played a role in affecting performance for most of the indicators, it is mostly the seasonal nature of agriculture that negatively affected all production and related activities in the first half of 2016/17. The affected indicators include the number of mobile veterinary clinics provided to improve animal health in rural areas, the support for subsistence and smallholder producers, and the cultivation of hectares in underutilised communal areas. Surveillances on plant diseases are scheduled to be conducted in the second half of 2016/17 when the expected rain season will kick-start agricultural production.

The low level of agricultural activities and production in the first half of 2016/17 impacted negatively on the performance of some indicators: the number of hectares of land restored through reforestation and land rehabilitation; the number of jobs created in food production generated by the comprehensive agricultural support programme; and the number of jobs created in the refurbishment of plantations through the expanded public works programme.

The department conducted training to more agro-processing entrepreneurs than expected in 2016/17, as higher than expected interest was shown by the provinces.

The throughput target for compulsory in-service training of students of veterinarian science will not be met as the number of students attaining their academic qualifications was lower than anticipated.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	788 053	-	-	(874)	(5 821)	-	(6 695)	781 358
Agricultural Production, Health and Food Safety	1 953 418	-	-	(2 516)	(6 292)	-	(8 808)	1 944 610
Food Security and Agrarian Reform	1 889 738	-	-	3 168	(4 209)	-	(1 041)	1 888 697
Trade Promotion and Market Access	297 596	-	-	6 400	-	-	6 400	303 996
Forestry and Natural Resources Management	945 562	-	-	(6 178)	(13 678)	212 000	192 144	1 137 706
Fisheries	458 598	-	-	-	-	-	-	458 598
<b>Total</b>	<b>6 332 965</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30 000)</b>	<b>212 000</b>	<b>182 000</b>	<b>6 514 965</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 716 051</b>	<b>-</b>	<b>-</b>	<b>(60 418)</b>	<b>(30 000)</b>	<b>212 000</b>	<b>121 582</b>	<b>2 837 633</b>
Compensation of employees	2 055 382	-	-	(32 783)	(30 000)	-	(62 783)	1 992 599
Goods and services	659 656	-	-	(27 690)	-	212 000	184 310	843 966
Interest and rent on land	1 013	-	-	55	-	-	55	1 068
<b>Transfers and subsidies</b>	<b>3 496 087</b>	<b>-</b>	<b>-</b>	<b>14 092</b>	<b>-</b>	<b>-</b>	<b>14 092</b>	<b>3 510 179</b>
Provinces and municipalities	2 203 533	-	-	152	-	-	152	2 203 685
Departmental agencies and accounts	1 129 602	-	-	(520)	-	-	(520)	1 129 082
Higher education institutions	8 529	-	-	-	-	-	-	8 529
Foreign governments and international organisations	34 525	-	-	7 920	-	-	7 920	42 445
Public corporations and private enterprises	98 334	-	-	-	-	-	-	98 334
Non-profit institutions	19 384	-	-	(900)	-	-	(900)	18 484
Households	2 180	-	-	7 440	-	-	7 440	9 620
<b>Payments for capital assets</b>	<b>120 827</b>	<b>-</b>	<b>-</b>	<b>46 326</b>	<b>-</b>	<b>-</b>	<b>46 326</b>	<b>167 153</b>
Buildings and other fixed structures	67 396	-	-	10 915	-	-	10 915	78 311
Machinery and equipment	53 261	-	-	35 222	-	-	35 222	88 483
Biological assets	120	-	-	(20)	-	-	(20)	100
Software and other intangible assets	50	-	-	209	-	-	209	259
<b>Total</b>	<b>6 332 965</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30 000)</b>	<b>212 000</b>	<b>182 000</b>	<b>6 514 965</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	39 610	-	-	(80)	-	-	(80)	39 530
Department Management	29 912	-	-	(20)	(2 210)	-	(2 230)	27 682
Financial Administration	196 384	-	-	(8 644)	-	-	(8 644)	187 740
Internal Audit	9 413	-	-	20	(935)	-	(915)	8 498
Corporate Services	171 216	-	-	4 000	(2 067)	-	1 933	173 149
Stakeholder Relations, Communication and Legal Services	74 704	-	-	1 500	(609)	-	891	75 595
Policy, Planning, Monitoring and Evaluation	81 699	-	-	-	-	-	-	81 699
Office Accommodation	185 115	-	-	2 350	-	-	2 350	187 465
<b>Total</b>	<b>788 053</b>	<b>-</b>	<b>-</b>	<b>(874)</b>	<b>(5 821)</b>	<b>-</b>	<b>(6 695)</b>	<b>781 358</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>731 812</b>	<b>-</b>	<b>-</b>	<b>(6 530)</b>	<b>(5 821)</b>	<b>-</b>	<b>(12 351)</b>	<b>719 461</b>
Compensation of employees	434 619	-	-	(1 436)	(5 821)	-	(7 257)	427 362
Goods and services	297 193	-	-	(5 108)	-	-	(5 108)	292 085
Interest and rent on land	-	-	-	14	-	-	14	14
<b>Transfers and subsidies</b>	<b>18 402</b>	<b>-</b>	<b>-</b>	<b>364</b>	<b>-</b>	<b>-</b>	<b>364</b>	<b>18 766</b>
Provinces and municipalities	40	-	-	8	-	-	8	48
Departmental agencies and accounts	18 362	-	-	(1 000)	-	-	(1 000)	17 362
Households	-	-	-	1 356	-	-	1 356	1 356
<b>Payments for capital assets</b>	<b>37 839</b>	<b>-</b>	<b>-</b>	<b>5 292</b>	<b>-</b>	<b>-</b>	<b>5 292</b>	<b>43 131</b>
Buildings and other fixed structures	34 185	-	-	199	-	-	199	34 384
Machinery and equipment	3 604	-	-	4 958	-	-	4 958	8 562
Software and other intangible assets	50	-	-	135	-	-	135	185
<b>Total</b>	<b>788 053</b>	<b>-</b>	<b>-</b>	<b>(874)</b>	<b>(5 821)</b>	<b>-</b>	<b>(6 695)</b>	<b>781 358</b>

**Programme 2: Agricultural Production, Health and Food Safety**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management	2 810	-	-	-	-	-	-	2 810
Inspection and Laboratory Services	335 322	-	-	(572)	(1 892)	-	(2 464)	332 858
Plant Production and Health	575 849	-	-	(2)	(441)	-	(443)	575 406
Animal Production and Health	226 448	-	-	(1 942)	(3 959)	-	(5 901)	220 547
Agriculture Research	812 989	-	-	-	-	-	-	812 989
<b>Total</b>	<b>1 953 418</b>	<b>-</b>	<b>-</b>	<b>(2 516)</b>	<b>(6 292)</b>	<b>-</b>	<b>(8 808)</b>	<b>1 944 610</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>634 585</b>	<b>-</b>	<b>-</b>	<b>(14 204)</b>	<b>(6 292)</b>	<b>-</b>	<b>(20 496)</b>	<b>614 089</b>
Compensation of employees	591 793	-	-	(21 560)	(6 292)	-	(27 852)	563 941
Goods and services	42 792	-	-	7 356	-	-	7 356	50 148
<b>Transfers and subsidies</b>	<b>1 316 779</b>	<b>-</b>	<b>-</b>	<b>544</b>	<b>-</b>	<b>-</b>	<b>544</b>	<b>1 317 323</b>
Provinces and municipalities	491 370	-	-	29	-	-	29	491 399
Departmental agencies and accounts	813 189	-	-	-	-	-	-	813 189
Non-profit institutions	12 100	-	-	-	-	-	-	12 100
Households	120	-	-	515	-	-	515	635
<b>Payments for capital assets</b>	<b>2 054</b>	<b>-</b>	<b>-</b>	<b>11 144</b>	<b>-</b>	<b>-</b>	<b>11 144</b>	<b>13 198</b>
Machinery and equipment	2 054	-	-	11 144	-	-	11 144	13 198
<b>Total</b>	<b>1 953 418</b>	<b>-</b>	<b>-</b>	<b>(2 516)</b>	<b>(6 292)</b>	<b>-</b>	<b>(8 808)</b>	<b>1 944 610</b>

**Programme 3: Food Security and Agrarian Reform**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management	2 871	-	-	-	-	-	-	2 871
Food Security	1 273 447	-	-	(314)	(3 799)	-	(4 113)	1 269 334
Sector Capacity Development	244 122	-	-	3 482	(410)	-	3 072	247 194
National Extension Support Services	369 298	-	-	-	-	-	-	369 298
<b>Total</b>	<b>1 889 738</b>	<b>-</b>	<b>-</b>	<b>3 168</b>	<b>(4 209)</b>	<b>-</b>	<b>(1 041)</b>	<b>1 888 697</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>255 021</b>	<b>-</b>	<b>-</b>	<b>(19 603)</b>	<b>(4 209)</b>	<b>-</b>	<b>(23 812)</b>	<b>231 209</b>
Compensation of employees	156 788	-	-	74	(4 209)	-	(4 135)	152 653
Goods and services	98 233	-	-	(19 677)	-	-	(19 677)	78 556
<b>Transfers and subsidies</b>	<b>1 597 397</b>	<b>-</b>	<b>-</b>	<b>2 708</b>	<b>-</b>	<b>-</b>	<b>2 708</b>	<b>1 600 105</b>
Provinces and municipalities	1 565 339	-	-	-	-	-	-	1 565 339
Departmental agencies and accounts	16 462	-	-	3 000	-	-	3 000	19 462
Higher education institutions	5 820	-	-	-	-	-	-	5 820
Public corporations and private enterprises	5 936	-	-	-	-	-	-	5 936
Non-profit institutions	2 200	-	-	(700)	-	-	(700)	1 500
Households	1 640	-	-	408	-	-	408	2 048
<b>Payments for capital assets</b>	<b>37 320</b>	<b>-</b>	<b>-</b>	<b>20 063</b>	<b>-</b>	<b>-</b>	<b>20 063</b>	<b>57 383</b>
Buildings and other fixed structures	33 211	-	-	2 196	-	-	2 196	35 407
Machinery and equipment	4 109	-	-	17 853	-	-	17 853	21 962
Software and other intangible assets	-	-	-	14	-	-	14	14
<b>Total</b>	<b>1 889 738</b>	<b>-</b>	<b>-</b>	<b>3 168</b>	<b>(4 209)</b>	<b>-</b>	<b>(1 041)</b>	<b>1 888 697</b>

**Programme 4: Trade Promotion and Market Access**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management	2 799	-	-	2 300	-	-	2 300	5 099
International Relations and Trade	118 542	-	-	4 720	-	-	4 720	123 262
Cooperatives and Rural Enterprise Development	120 334	-	-	(1 520)	-	-	(1 520)	118 814
Agro-processing and Marketing	55 921	-	-	900	-	-	900	56 821
<b>Total</b>	<b>297 596</b>	<b>-</b>	<b>-</b>	<b>6 400</b>	<b>-</b>	<b>-</b>	<b>6 400</b>	<b>303 996</b>

**Programme 4: Trade Promotion and Market Access (continued)**

Economic classification	2016/17								
	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>133 166</b>	-	-	(501)	-	-	(501)	<b>132 665</b>	
Compensation of employees	101 628	-	-	(198)	-	-	(198)	101 430	
Goods and services	31 538	-	-	(303)	-	-	(303)	31 235	
<b>Transfers and subsidies</b>	<b>163 863</b>	-	-	<b>6 598</b>	-	-	<b>6 598</b>	<b>170 461</b>	
Provinces and municipalities	10	-	-	-	-	-	-	10	
Departmental agencies and accounts	36 830	-	-	(1 520)	-	-	(1 520)	35 310	
Higher education institutions	100	-	-	-	-	-	-	100	
Foreign governments and international organisations	34 525	-	-	7 920	-	-	7 920	42 445	
Public corporations and private enterprises	92 398	-	-	-	-	-	-	92 398	
Households	-	-	-	198	-	-	198	198	
<b>Payments for capital assets</b>	<b>567</b>	-	-	<b>303</b>	-	-	<b>303</b>	<b>870</b>	
Machinery and equipment	567	-	-	303	-	-	303	870	
<b>Total</b>	<b>297 596</b>	-	-	<b>6 400</b>	-	-	<b>6 400</b>	<b>303 996</b>	

**Programme 5: Forestry and Natural Resources Management**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Management	3 535	-	-	756	(187)	-	569	4 104	
Forestry Operations	477 060	-	-	(3 925)	(9 026)	-	(12 951)	464 109	
Forestry Oversight and Regulation	57 273	-	-	(328)	(844)	-	(1 172)	56 101	
Natural Resources Management	407 694	-	-	(2 681)	(3 621)	212 000	205 698	613 392	
<b>Total</b>	<b>945 562</b>	-	-	<b>(6 178)</b>	<b>(13 678)</b>	<b>212 000</b>	<b>192 144</b>	<b>1 137 706</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>744 628</b>	-	-	<b>(19 473)</b>	<b>(13 678)</b>	<b>212 000</b>	<b>178 849</b>	<b>923 477</b>	
Compensation of employees	553 715	-	-	(9 556)	(13 678)	-	(23 234)	530 481	
Goods and services	189 900	-	-	(9 958)	-	212 000	202 042	391 942	
Interest and rent on land	1 013	-	-	41	-	-	41	1 054	
<b>Transfers and subsidies</b>	<b>157 887</b>	-	-	<b>3 771</b>	-	-	<b>3 771</b>	<b>161 658</b>	
Provinces and municipalities	146 774	-	-	115	-	-	115	146 889	
Departmental agencies and accounts	3 000	-	-	(1 000)	-	-	(1 000)	2 000	
Higher education institutions	2 609	-	-	-	-	-	-	2 609	
Non-profit institutions	5 084	-	-	(200)	-	-	(200)	4 884	
Households	420	-	-	4 856	-	-	4 856	5 276	
<b>Payments for capital assets</b>	<b>43 047</b>	-	-	<b>9 524</b>	-	-	<b>9 524</b>	<b>52 571</b>	
Buildings and other fixed structures	-	-	-	8 520	-	-	8 520	8 520	
Machinery and equipment	42 927	-	-	964	-	-	964	43 891	
Biological assets	120	-	-	(20)	-	-	(20)	100	
Software and other intangible assets	-	-	-	60	-	-	60	60	
<b>Total</b>	<b>945 562</b>	-	-	<b>(6 178)</b>	<b>(13 678)</b>	<b>212 000</b>	<b>192 144</b>	<b>1 137 706</b>	

**Programme 6: Fisheries**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Management	3 028	-	-	-	-	-	-	3 028	
Aquaculture	37 803	-	-	-	-	-	-	37 803	
Monitoring Control and Surveillance	84 940	-	-	-	-	-	-	84 940	
Marine Resources Management	22 285	-	-	-	-	-	-	22 285	
Fisheries Research and Development	68 783	-	-	-	-	-	-	68 783	
Marine Living Resources Fund	241 759	-	-	-	-	-	-	241 759	
<b>Total</b>	<b>458 598</b>	-	-	-	-	-	-	<b>458 598</b>	

**Programme 6: Fisheries (continued)**

Economic classification	2016/17							
	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>216 839</b>	–	–	(107)	–	–	(107)	<b>216 732</b>
Compensation of employees	216 839	–	–	(107)	–	–	(107)	216 732
<b>Transfers and subsidies</b>	<b>241 759</b>	–	–	107	–	–	107	<b>241 866</b>
Departmental agencies and accounts	241 759	–	–	–	–	–	–	241 759
Households	–	–	–	107	–	–	107	107
<b>Total</b>	<b>458 598</b>	–	–	–	–	–	–	<b>458 598</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

1. Administration
2. Agricultural Production, Health and Food Safety
3. Food Security and Agrarian Reform
4. Trade Promotion and Market Access
5. Forestry and Natural Resources Management
6. Fisheries

**FROM:**

Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(10 810)</b>
Goods and services	Reduced spending on travel and subsistence, property payments, external auditors, advertising, and minor assets	(4 918)
	Reduced spending on property payments, and advertising	(8)
	Reduced spending on external audit	(175)
	Reduced spending on property payments	(14)
	Reduced spending on property payments	(199)
	Reduced spending on travel and subsistence, and external audit	(3 000)
Machinery and equipment	Reduced spending on computers	(10)
Compensation of employees	Vacant posts <sup>1</sup>	(1 356)
	Vacant posts	(80)
Software and other intangible assets	Reduced spending on software assets	(50)
Departmental agencies and accounts	Reduced spending on research conducted by the National Research Foundation <sup>1</sup>	(1 000)
Shifts within the programme as a percentage of the programme budget		1.0%
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>

**TO:**

Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>5 314</b>
Machinery and equipment	Photocopier leases, computer servers, desktop and laptop computers, and security equipment	4 918
Provinces and municipalities	Vehicle licences	8
Software and other intangible assets	IT software	175
Interest and rent on land	Interest charges	14
Buildings and other fixed structures	Desktop and laptop computers	199
<b>Programme 3</b>		<b>3 000</b>
Goods and services	Training and development for non-employees	3 000
<b>Programme 1</b>		<b>1 366</b>
Software and other intangible assets	IT software	10
Households	Leave gratuities	1 356
<b>Programme 3</b>		<b>80</b>
Compensation of employees	Stipends for interns	80
<b>Programme 1</b>		<b>1 050</b>
Machinery and equipment	Computers and photocopier leases	50
Goods and services	Research and development initiatives	1 000
Shifts within the programme as a percentage of the programme budget		1.0%
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(22 927)</b>	<b>Programme 1</b>		<b>443</b>
Goods and services	Reduced spending on travel and subsistence	(443)	Goods and services	Building lease renewals	443
			<b>Programme 2</b>		<b>20 382</b>
	Reduced spending on travel and subsistence, and legal services	(895)	Machinery and equipment	Motor vehicles, photocopier leases, and desktop and laptop computers	895
	Reduced spending on travel and subsistence	(23)	Provinces and municipalities	Vehicle licences, laptop computers, photocopier leases, and vehicle licences	23
	Reduced spending on legal services	(6)	Provinces and municipalities	Vehicle licences	6
Compensation of employees	Vacant posts <sup>2</sup>	(10 249)	Machinery and equipment	Vehicles for the compulsory community service programme for veterinarians	10 249
	Vacant posts <sup>1</sup>	(32)	Households	Leave gratuities	32
	Vacant posts <sup>1</sup>	(483)	Households	Leave gratuities	483
	Vacant posts <sup>2</sup>	(8 694)	Goods and services	Inspection services by the regulator of the import and export of agricultural products	8 694
				Compulsory community service programme for veterinarians	
	Vacant posts	(402)	<b>Programme 3</b>		<b>402</b>
	Vacant posts <sup>2</sup>	(1 700)	Compensation of employees	Stipends for interns	402
			<b>Programme 4</b>		<b>1 700</b>
			Foreign governments and international organisations	Membership fees for the Food and Agriculture Organisation of the United Nations <sup>1</sup>	1 700
Shifts within the programme as a percentage of the programme budget		1.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
<b>Programme 3</b>		<b>(26 295)</b>	<b>Programme 1</b>		<b>314</b>
Goods and services	Reduced spending on travel and subsistence	(314)	Goods and services	Lease renewals	314
			<b>Programme 3</b>		<b>25 981</b>
	Reduced spending on travel and subsistence, stationery and printing, minor assets and contractors, consumable supplies	(19 663)	Machinery and equipment	Vehicle licences, photocopier leases, laptop computers, new structures, mainframe server, buses, security equipment, air conditioners, audio visual equipment, domestic equipment, agricultural farm equipment, firefighting, construction and maintenance, security equipment, workshop equipment, computer servers, and office furniture	19 663
	Reduced spending on stationery and printing, consumable supplies	(14)	Software and other intangible assets	IT software	14
	Reduction in spending on vehicles and computers	(386)	Buildings and other fixed structures	Agricultural farm equipment and laptop computers, and new buildings	386
	Reclassification of funds for training and development of non-employees	(3 000)	Departmental agencies and accounts	National Student Financial Aid Scheme <sup>1</sup>	3 000
Machinery and equipment	Reduced spending on vehicles and computers	(1 810)	Buildings and other fixed structures	Capital projects	1 810
Compensation of employees	Vacant posts <sup>1</sup>	(408)	Households	Leave gratuities	408

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Non-profit institutions	Reduced spending on school support external bursary scheme for Agricultural High Schools and Colleges students <sup>1</sup>	(700)	Goods and services	Bursary monitoring	700
Shifts within the programme as a percentage of the programme budget		1.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(2 021)</b>	<b>Programme 4</b>		<b>2 021</b>
Goods and services	Reduced spending on infrastructure and planning, travel and subsistence, agency and outsourced services	(303)	Machinery and equipment	Photocopier leases, and software	303
Compensation of employees	Vacant posts <sup>1</sup>	(198)	Households	Leave gratuities	198
Departmental agencies and accounts	Reduced spending on transfers to small enterprise development agency <sup>1</sup>	(1 520)	Foreign governments and international organisations	International membership fees for Food and Agriculture Organisation of the United Nations <sup>1</sup>	1 520
Shifts within the programme as a percentage of the programme budget		0.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(22 286)</b>	<b>Programme 1</b>		<b>1 449</b>
Goods and services	Reduced spending on consumable supplies, agency and outsourced services	(1 449)	Goods and services	Renewal of operating leases agreements for office accommodation	1 449
	Reduced spending on consumable supplies	(29)	<b>Programme 2</b>		<b>29</b>
	Reduced spending on consumable supplies, outsourced services, and bursaries	(1 294)	Goods and services	Operating leases	29
	Reduced spending on consumable supplies	(115)	<b>Programme 5</b>		<b>10 031</b>
	Reduced spending on administration fees	(60)	Machinery and equipment	Telecommunication infrastructure, mainframe server, agricultural farm equipment, and emergency vehicles	1 294
	Reduced spending on agency and outsourced services	(42)	Provinces and municipalities	Vehicle licences	115
	Reduced spending on consumable supplies	(7 670)	Software and other intangible assets	IT software	60
Machinery and equipment	Reduced spending on vehicles and computers	(850)	Interest and rent on land	Software and other intangible assets	42
			Buildings and other fixed structures	Buildings and other fixed structures	7 670
Compensation of employees	Vacant posts <sup>2</sup>	(4 700)	Buildings and other fixed structures	Buildings and other fixed structures	850
			<b>Programme 4</b>		<b>4 700</b>
	Vacant posts <sup>1</sup>	(152)	Foreign governments and international organisations	Membership fees for the Food and Agriculture Organisation of the United Nations <sup>1</sup>	4 700
	Vacant posts <sup>1</sup>	(4 704)	<b>Programme 5</b>		<b>6 077</b>
Departmental agencies and accounts	Reduced spending on research conducted by the Water Research Commission <sup>1</sup>	(500)	Households	Leave gratuities	152
	Reduced spending on research conducted by the Water Research Commission <sup>1</sup>	(500)	Households	Leave gratuities	4 704
Non-profit institutions	Reprioritisation of funds to Food and Trees for Africa <sup>1</sup>	(200)	Machinery and equipment	Motor vehicles	500
			Goods and services	Travel and accommodation	500
			Goods and services	Purchase of trees for arbor week <sup>1</sup>	200

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Biological assets	Reduced spending on forest plantation, plants (product and seeds) and fruit trees	(20)	Machinery and equipment	Agricultural farm equipment	20
Interest and rent on land	Reduced spending on rent	(1)	Goods and services	Farm supplies such as seedlings and trees	1
Shifts within the programme as a percentage of the programme budget		1.7%			
Virements to other programmes as a percentage of the programme budget		0.7%			
<b>Programme 6</b>		<b>(107)</b>	<b>Programme 6</b>		<b>107</b>
Compensation of employees	Vacant posts <sup>1</sup>	(107)	Households	Leave gratuities	107
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%			
<b>Total</b>		<b>(84 446)</b>			<b>84 446</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Declared unspent funds – R30 million

R30 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

Programme 1: Administration

R5.821 million

Programme 2: Agricultural Production, Health and Food Safety

R6.292 million

Programme 3: Food Security and Agrarian Reform

R4.209 million

Programme 5: Forestry and Natural Resources Management

R13.678 million

## Other adjustments – R212 million

### **Adjustments due to significant and unforeseeable economic and financial events – R212 million**

Programme 5: Forestry and Natural Resources Management

An additional R212 million has been allocated to the comprehensive agricultural support programme indirect grant for the procurement of fodder for animals as a mitigating measure against drought.

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16					2016/17			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
Administration	739 418	436 437	59.0	785 802	106.3	781 358	12.0	474 226	60.7
Agricultural Production, Health and Food Safety	2 144 541	1 216 417	56.7	2 143 017	99.9	1 944 610	29.8	1 076 151	55.3
Food Security and Agrarian Reform	1 919 401	946 797	49.3	1 906 795	99.3	1 889 097	29.0	867 629	45.9
Trade Promotion and Market Access	233 907	147 044	62.9	236 758	101.2	303 596	4.7	238 386	78.5
Forestry and Natural Resources Management	906 216	486 452	53.7	862 280	95.2	1 137 706	17.5	477 798	42.0
Fisheries	465 267	233 822	50.3	465 890	100.1	458 598	7.0	236 218	51.5
<b>Total</b>	<b>6 408 750</b>	<b>3 466 969</b>	<b>54.1</b>	<b>6 400 542</b>	<b>99.9</b>	<b>6 514 965</b>	<b>100.0</b>	<b>3 370 408</b>	<b>51.7</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 536 868</b>	<b>1 265 134</b>	<b>49.9</b>	<b>2 475 870</b>	<b>97.6</b>	<b>2 837 633</b>	<b>43.6</b>	<b>1 398 875</b>	<b>49.3</b>
Compensation of employees	1 763 005	852 963	48.4	1 761 115	99.9	1 992 599	30.6	974 044	48.9
Goods and services	772 331	412 171	53.4	714 755	92.5	843 966	13.0	424 517	50.3
Interest and rent on land	1 532	-	-	-	-	1 068	-	314	29.4
<b>Transfers and subsidies</b>	<b>3 694 945</b>	<b>2 088 046</b>	<b>56.5</b>	<b>3 704 831</b>	<b>100.3</b>	<b>3 510 179</b>	<b>53.9</b>	<b>1 911 520</b>	<b>54.5</b>
Provinces and municipalities	2 172 640	1 120 396	51.6	2 172 723	100.0	2 203 685	33.8	1 013 238	46.0
Departmental agencies and accounts	1 138 091	746 430	65.6	1 139 915	100.2	1 129 082	17.3	743 657	65.9
Higher education institutions	3 312	3 307	99.8	3 306	99.8	8 529	0.1	8 529	100.0
Foreign governments and international organisations	32 379	20 445	63.1	31 911	98.6	42 045	0.6	35 073	83.4
Public corporations and private enterprises	314 715	172 882	54.9	314 801	100.0	98 334	1.5	91 372	92.9
Non-profit institutions	25 886	15 116	58.4	25 591	98.9	18 484	0.3	8 658	46.8
Households	7 922	9 470	119.5	16 584	209.3	10 020	0.2	10 993	109.7
<b>Payments for capital assets</b>	<b>176 937</b>	<b>113 401</b>	<b>64.1</b>	<b>218 466</b>	<b>123.5</b>	<b>167 153</b>	<b>2.6</b>	<b>59 771</b>	<b>35.8</b>
Buildings and other fixed structures	48 609	23 628	48.6	40 280	82.9	78 311	1.2	5 061	6.5
Machinery and equipment	128 160	89 773	70.0	178 029	138.9	88 483	1.4	52 559	59.4
Biological assets	168	-	-	-	-	100	-	-	-
Software and other intangible assets	-	-	-	157	-	259	-	2 151	830.5
<b>Payments for financial assets</b>	<b>-</b>	<b>388</b>	<b>-</b>	<b>1 375</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>242</b>	<b>-</b>
<b>Total</b>	<b>6 408 750</b>	<b>3 466 969</b>	<b>54.1</b>	<b>6 400 542</b>	<b>99.9</b>	<b>6 514 965</b>	<b>100.0</b>	<b>3 370 408</b>	<b>51.7</b>

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 99.9 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R3.4 billion, or 51.7 per cent of the adjusted appropriation of R6.5 billion for the year. In comparison, mid-year expenditure in 2015/16 was R3.5 billion, or 54.1 per cent of the 2015/16 adjusted appropriation. In comparison to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R96.6 million, or 2.8 per cent. This was mainly due to a payment to Onderstepoort Biological Products Limited for the building and modernisation of vaccine production facilities and equipment that came to an end in 2015/16.

## Departmental receipts

R thousand	2015/16					2016/17				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	adjusted estimate % of	Apr 15 - Mar 16	adjusted estimate % of	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	adjusted estimate % of
<b>Departmental receipts</b>	<b>206 326</b>	<b>111 509</b>	<b>54.0</b>	<b>212 414</b>	<b>103.0</b>	<b>216 643</b>	<b>227 198</b>	<b>100.0</b>	<b>108 582</b>	<b>47.8</b>
Sales of goods and services produced by department	164 632	98 519	59.8	185 974	113.0	172 863	212 403	93.5	102 702	48.4
Sales of scrap, waste, arms and other used current goods	50	29	58.0	53	106.0	53	659	0.3	503	76.3
Transfers received	400	226	56.5	355	88.8	420	420	-	151	36.0
Fines, penalties and forfeits	29	25	86.2	270	931.0	30	46	-	31	67.4
Interest, dividends and rent on land	17 629	2 146	12.2	5 143	29.2	18 511	4 634	2.0	2 059	44.4
Sales of capital assets	1 176	831	70.7	1 720	146.3	1 235	1 348	0.6	448	33.2
Transactions in financial assets and liabilities	22 410	9 733	43.4	18 899	84.3	23 531	7 688	3.4	2 688	35.0
<b>Total</b>	<b>206 326</b>	<b>111 509</b>	<b>54.0</b>	<b>212 414</b>	<b>103.0</b>	<b>216 643</b>	<b>227 198</b>	<b>100.0</b>	<b>108 582</b>	<b>47.8</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R108.6 million, or 47.8 per cent of the adjusted revenue estimate of R227.2 million for the year. In comparison, mid-year revenue in 2015/16 was R111.5 million, or 54 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue in 2016/17 decreased by R2.9 million, or 2.6 per cent. This was mainly due to tariff adjustments on the sales of goods and services produced by the department.

## Changes to transfers and subsidies

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

R thousand	2016/17							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Administration</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	<b>40</b>	-	-	<b>8</b>	-	-	<b>8</b>	<b>48</b>	
Vehicle licences	40	-	-	8	-	-	8	48	
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>16 697</b>	-	-	<b>(1 000)</b>	-	-	<b>(1 000)</b>	<b>15 697</b>	
National Research Foundation	16 697	-	-	(1 000)	-	-	(1 000)	15 697	
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>1 356</b>	-	-	<b>1 356</b>	<b>1 356</b>	
Employee social benefits	-	-	-	1 356	-	-	1 356	1 356	
<b>Agricultural Production, Health and Food Safety</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	<b>7</b>	-	-	<b>29</b>	-	-	<b>29</b>	<b>36</b>	
Vehicle licences	7	-	-	29	-	-	29	36	
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>120</b>	-	-	<b>515</b>	-	-	<b>515</b>	<b>635</b>	
Employee social benefits	120	-	-	515	-	-	515	635	

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Food Security and Agrarian Reform</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>15 862</b>	-	-	<b>3 000</b>	-	-	<b>3 000</b>	<b>18 862</b>
National Student Financial Aid Scheme	15 862	-	-	3 000	-	-	3 000	18 862
<b>Non-profit institutions</b>								
<b>Current</b>	<b>2 200</b>	-	-	<b>(700)</b>	-	-	<b>(700)</b>	<b>1 500</b>
Agricultural colleges	2 200	-	-	(700)	-	-	(700)	1 500
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>140</b>	-	-	<b>408</b>	-	-	<b>408</b>	<b>548</b>
Employee social benefits	140	-	-	408	-	-	408	548
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	<b>100</b>	-	-	<b>400</b>	-	-	<b>400</b>	<b>500</b>
Female entrepreneur of the year awards	100	-	-	400	-	-	400	500
<b>Trade Promotion and Market Access</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>1 825</b>	-	-	<b>(1 520)</b>	-	-	<b>(1 520)</b>	<b>305</b>
Small Enterprise Development Agency	1 825	-	-	(1 520)	-	-	(1 520)	305
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>34 455</b>	-	-	<b>7 520</b>	-	-	<b>7 520</b>	<b>41 975</b>
Consultative Group on International Agricultural Research	6 630	-	-	516	-	-	516	7 146
International Union for the Protection of New Varieties of Plants	744	-	-	50	-	-	50	794
Commonwealth Agricultural Bureau International	295	-	-	42	-	-	42	337
Food and Agriculture Organisation of the United Nations	23 467	-	-	6 400	-	-	6 400	29 867
Foreign rates and taxes	257	-	-	16	-	-	16	273
International Cotton Advisory Council	281	-	-	108	-	-	108	389
International Grains Council	227	-	-	(28)	-	-	(28)	199
International Seed Testing Association	150	-	-	(30)	-	-	(30)	120
International Organisation of Vine and Wine	790	-	-	188	-	-	188	978
World Organisation for Animal Health	1 424	-	-	243	-	-	243	1 667
Organisation for Economic Cooperation and Development	181	-	-	13	-	-	13	194
International Union of Forestry Research Organisations	9	-	-	2	-	-	2	11
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>-</b>	-	-	<b>198</b>	-	-	<b>198</b>	<b>198</b>
Employee social benefits	-	-	-	198	-	-	198	198
<b>Forestry and Natural Resources</b>								
<b>Management</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	<b>175</b>	-	-	<b>115</b>	-	-	<b>115</b>	<b>290</b>
Vehicle licences	175	-	-	115	-	-	115	290
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>3 000</b>	-	-	<b>(1 000)</b>	-	-	<b>(1 000)</b>	<b>2 000</b>
Water Research Commission	3 000	-	-	(1 000)	-	-	(1 000)	2 000
<b>Non-profit institutions</b>								
<b>Current</b>	<b>400</b>	-	-	<b>(200)</b>	-	-	<b>(200)</b>	<b>200</b>
Food and Trees for Africa	400	-	-	(200)	-	-	(200)	200
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>420</b>	-	-	<b>4 856</b>	-	-	<b>4 856</b>	<b>5 276</b>
Employee social benefits	420	-	-	4 856	-	-	4 856	5 276

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

	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
<b>Fisheries</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	107	-	-	107	107
Employee social benefits	-	-	-	107	-	-	107	107



# Vote 25

## Economic Development

### Adjusted budget summary

2016/17				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>674 661</b>	<b>674 661</b>	-	-
<b>of which:</b>				
Current payments	142 969	142 484	(485)	-
Transfers and subsidies	528 781	528 781	-	-
Payments for capital assets	2 911	3 396	-	485
Executive authority	Minister of Economic Development			
Accounting officer	Director-General of Economic Development			
Website address	www.economic.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of interventions to integrate the new growth path framework into government's macroeconomic and microeconomic policy, and infrastructure initiatives per year	Growth Path and Social Dialogue	Outcome 4: Decent employment through inclusive economic growth	4	2	-
Number of spatial, local and provincial initiatives to promote employment, empowerment and development per year	Growth Path and Social Dialogue		10	1	-
Number of quarterly Cabinet level progress reports on strategic integrated projects per year	Investment, Competition and Trade		60	36	-
Number of infrastructure projects unblocked, fast-tracked or facilitated per year	Investment, Competition and Trade		8	-	-
Number of Cabinet and presidential infrastructure coordinating committee strategic decisions on infrastructure implemented per year	Investment, Competition and Trade		4	2	-
Number of strategic engagements with development finance institutions to improve efficiencies/decrease turnaround times for project approvals per year	Investment, Competition and Trade		4	3	-
Number of investment initiatives facilitated, fast tracked and/or unblocked per year	Investment, Competition and Trade		12	7	-
Number of reports to monitor and facilitate the improvement of the impact of industrial funding on job creation per year	Investment, Competition and Trade		4	-	-

2016 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of reports on the increase in industrial finance available from development finance institutions and departments, and its impact on job creation, per year	Investment, Competition and Trade	Outcome 4: Decent employment through inclusive economic growth	4	2	-
Number of strategic engagements with trade and competition authorities to increase administrative efficiencies per year	Investment, Competition and Trade		4	-	-

Mid-year progress

The department is on track to meet its annual targets. The currently low levels of achievement in the spatial, local and provincial initiatives, infrastructure projects, job creation reports, and strategic engagement initiatives have been set as annual targets and will therefore be measured at the end of 2016/17.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation						Total adjustments appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	79 208	-	-	10 029	-	-	10 029	89 237
Growth Path and Social Dialogue	36 008	-	-	(2 933)	-	-	(2 933)	33 075
Investment, Competition and Trade	559 445	-	-	(7 096)	-	-	(7 096)	552 349
<b>Total</b>	<b>674 661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>674 661</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>142 969</b>	<b>-</b>	<b>-</b>	<b>(485)</b>	<b>-</b>	<b>-</b>	<b>(485)</b>	<b>142 484</b>
Compensation of employees	93 995	-	-	-	-	-	-	93 995
Goods and services	48 974	-	-	(485)	-	-	(485)	48 489
<b>Transfers and subsidies</b>	<b>528 781</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>528 781</b>
Departmental agencies and accounts	315 657	-	-	-	-	-	-	315 657
Public corporations and private enterprises	213 124	-	-	-	-	-	-	213 124
<b>Payments for capital assets</b>	<b>2 911</b>	<b>-</b>	<b>-</b>	<b>485</b>	<b>-</b>	<b>-</b>	<b>485</b>	<b>3 396</b>
Machinery and equipment	2 500	-	-	785	-	-	785	3 285
Software and other intangible assets	411	-	-	(300)	-	-	(300)	111
<b>Total</b>	<b>674 661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>674 661</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation						Total adjustments appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	27 444	-	-	(6 029)	-	-	(6 029)	21 415
Office of the Director General	10 089	-	-	1 204	-	-	1 204	11 293
Corporate Management Services	28 966	-	-	14 131	-	-	14 131	43 097
Financial Management	12 709	-	-	723	-	-	723	13 432
<b>Total</b>	<b>79 208</b>	<b>-</b>	<b>-</b>	<b>10 029</b>	<b>-</b>	<b>-</b>	<b>10 029</b>	<b>89 237</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>76 981</b>	<b>-</b>	<b>-</b>	<b>9 176</b>	<b>-</b>	<b>-</b>	<b>9 176</b>	<b>86 157</b>
Compensation of employees	45 804	-	-	-	-	-	-	45 804
Goods and services	31 177	-	-	9 176	-	-	9 176	40 353
<b>Payments for capital assets</b>	<b>2 227</b>	<b>-</b>	<b>-</b>	<b>853</b>	<b>-</b>	<b>-</b>	<b>853</b>	<b>3 080</b>
Machinery and equipment	2 184	-	-	785	-	-	785	2 969
Software and other intangible assets	43	-	-	68	-	-	68	111
<b>Total</b>	<b>79 208</b>	<b>-</b>	<b>-</b>	<b>10 029</b>	<b>-</b>	<b>-</b>	<b>10 029</b>	<b>89 237</b>

**Programme 2: Growth Path and Social Dialogue**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Growth Path and Job Drivers	25 065	–	–	(3 583)	–	–	(3 583)	21 482
Social Dialogue, Productivity and Innovation	10 943	–	–	650	–	–	650	11 593
<b>Total</b>	<b>36 008</b>	<b>–</b>	<b>–</b>	<b>(2 933)</b>	<b>–</b>	<b>–</b>	<b>(2 933)</b>	<b>33 075</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>35 493</b>	<b>–</b>	<b>–</b>	<b>(2 565)</b>	<b>–</b>	<b>–</b>	<b>(2 565)</b>	<b>32 928</b>
Compensation of employees	30 137	–	–	(2 265)	–	–	(2 265)	27 872
Goods and services	5 356	–	–	(300)	–	–	(300)	5 056
<b>Payments for capital assets</b>	<b>515</b>	<b>–</b>	<b>–</b>	<b>(368)</b>	<b>–</b>	<b>–</b>	<b>(368)</b>	<b>147</b>
Machinery and equipment	147	–	–	–	–	–	–	147
Software and other intangible assets	368	–	–	(368)	–	–	(368)	–
<b>Total</b>	<b>36 008</b>	<b>–</b>	<b>–</b>	<b>(2 933)</b>	<b>–</b>	<b>–</b>	<b>(2 933)</b>	<b>33 075</b>

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

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Development Investment, Industrial Funding and Entrepreneurship	217 510	–	–	3 365	–	–	3 365	220 875
Competition, Trade and other Economic Regulation	319 836	–	–	(300)	–	–	(300)	319 536
Infrastructure Development Coordination	22 099	–	–	(10 161)	–	–	(10 161)	11 938
<b>Total</b>	<b>559 445</b>	<b>–</b>	<b>–</b>	<b>(7 096)</b>	<b>–</b>	<b>–</b>	<b>(7 096)</b>	<b>552 349</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>30 495</b>	<b>–</b>	<b>–</b>	<b>(7 096)</b>	<b>–</b>	<b>–</b>	<b>(7 096)</b>	<b>23 399</b>
Compensation of employees	18 054	–	–	2 265	–	–	2 265	20 319
Goods and services	12 441	–	–	(9 361)	–	–	(9 361)	3 080
<b>Transfers and subsidies</b>	<b>528 781</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>528 781</b>
Departmental agencies and accounts	315 657	–	–	–	–	–	–	315 657
Public corporations and private enterprises	213 124	–	–	–	–	–	–	213 124
<b>Payments for capital assets</b>	<b>169</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>169</b>
Machinery and equipment	169	–	–	–	–	–	–	169
<b>Total</b>	<b>559 445</b>	<b>–</b>	<b>–</b>	<b>(7 096)</b>	<b>–</b>	<b>–</b>	<b>(7 096)</b>	<b>552 349</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes**

Programmes					
1. Administration					
2. Growth Path and Social Dialogue					
3. Investment, Competition and Trade					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(230)</b>	<b>Programme 1</b>		<b>230</b>
Goods and services	Cost containment measures effected on travel and subsistence	(230)	Machinery and equipment	Fleet management services	230
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>			<b>Programme 3</b>		
Compensation of employees		(2 933)	Compensation of employees		2 265
Vacant posts		(2 265)	Increases in personnel remuneration		2 265
Software and other intangible assets			<b>Programme 1</b>		
Reallocation of funds due to cancelled IT project		(300)	Machinery and equipment		668
Reallocation of funds due to cancelled IT project		(68)	Computer server		300
Goods and services			Software and other intangible assets		68
Reallocation of funds due to travel and subsistence and contractors		(300)	Goods and services		300
Legal fees					
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		8.1% <sup>2</sup>			
<b>Programme 3</b>			<b>Programme 1</b>		
Goods and services		(9 361)	Goods and services		9 361
Cost containment measures effected on advertising		(9 106)	Legal fees		9 106
Cost containment measures effected on travel and subsistence and contractors		(255)	Machinery and equipment		255
Computer server					
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.7%			
<b>Total</b>		<b>(12 524)</b>			<b>12 524</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % off adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
R thousand									
Administration	83 223	34 248	41.2	83 146	99.9	89 237	13.2	51 708	57.9
Growth Path and Social Dialogue	27 889	11 380	40.8	26 704	95.8	33 075	4.9	13 461	40.7
Investment, Competition and Trade	774 666	378 299	48.8	773 883	99.9	552 349	81.9	276 091	50.0
<b>Total</b>	<b>885 778</b>	<b>423 927</b>	<b>47.9</b>	<b>883 733</b>	<b>99.8</b>	<b>674 661</b>	<b>100.0</b>	<b>341 260</b>	<b>50.6</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>130 431</b>	<b>52 899</b>	<b>40.6</b>	<b>128 386</b>	<b>98.4</b>	<b>142 484</b>	<b>21.1</b>	<b>71 934</b>	<b>50.5</b>
Compensation of employees	79 540	38 019	47.8	79 398	99.8	93 995	13.9	41 340	44.0
Goods and services	50 891	14 880	29.2	48 988	96.3	48 489	7.2	30 594	63.1
<b>Transfers and subsidies</b>	<b>750 396</b>	<b>369 887</b>	<b>49.3</b>	<b>750 396</b>	<b>100.0</b>	<b>528 781</b>	<b>78.4</b>	<b>267 808</b>	<b>50.6</b>
Departmental agencies and accounts	338 848	166 607	49.2	338 848	100.0	315 657	46.8	161 181	51.1
Public corporations and private enterprises	411 397	203 198	49.4	411 397	100.0	213 124	31.6	106 562	50.0
Households	151	82	54.3	151	100.0	–	–	65	–
<b>Payments for capital assets</b>	<b>4 949</b>	<b>1 139</b>	<b>23.0</b>	<b>4 949</b>	<b>100.0</b>	<b>3 396</b>	<b>0.5</b>	<b>1 518</b>	<b>44.7</b>
Machinery and equipment	3 383	1 068	31.6	3 383	100.0	3 285	0.5	1 412	43.0
Software and other intangible assets	1 566	71	4.5	1 566	100.0	111	–	106	95.5
<b>Payments for financial assets</b>	<b>2</b>	<b>2</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>885 778</b>	<b>423 927</b>	<b>47.9</b>	<b>883 733</b>	<b>99.8</b>	<b>674 661</b>	<b>100.0</b>	<b>341 260</b>	<b>50.6</b>

## Expenditure trends for the first six months of 2016/17

Total expenditure for 2015/16 was 99.8 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R341.3 million or 50.6 per cent of the adjusted appropriation of R674.7 million for the year. In comparison, mid-year expenditure in 2015/16 was R423.9 million or 47.9 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 decreased by R82.7 million or 19.5 per cent, compared to expenditure in the first six months of 2015/16.

This was mainly because the economic competitiveness support package allocation to the Small Enterprise Finance Agency came to an end in 2015/16.

## Departmental receipts

	2015/16					2016/17				
	Adjusted estimate	Audited outcome		Actual receipts		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate					
R thousand										
<b>Departmental receipts</b>	<b>668 650</b>	<b>506 515</b>	<b>75.8</b>	<b>50 296</b>	<b>7.5</b>	<b>908 329</b>	<b>908 376</b>	<b>100.0</b>	<b>202 714</b>	<b>22.3</b>
Sales of goods and services produced by department	32	15	46.9	29	90.6	20	20	-	14	70.0
Sales of scrap, waste, arms and other used current goods	-	6	-	6	-	-	-	-	-	-
Fines, penalties and forfeits	618 549	506 445	81.9	-	-	858 159	858 159	94.5	202 486	23.6
Interest, dividends and rent on land	50 049	64	0.1	50 278	100.5	50 150	50 150	5.5	167	0.3
Transactions in financial assets and liabilities	20	(15)	(75.0)	(17)	(85.0)	-	47	-	47	100.0
<b>Total</b>	<b>668 650</b>	<b>506 515</b>	<b>75.8</b>	<b>50 296</b>	<b>7.5</b>	<b>908 329</b>	<b>908 376</b>	<b>100.0</b>	<b>202 714</b>	<b>22.3</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R202.7 million or 22.3 per cent of the adjusted revenue estimate of R908.4 million for the year. In comparison, mid-year revenue in 2015/16 was R506.5 million, or 75.8 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period decreased by R303.8 million, or 60 per cent. This was mainly due to the decrease in penalties and fines received from the Competition Commission as a result of fewer than expected cases received and finalised.



# Vote 26

## Energy

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>7 545 171</b>	<b>7 550 556</b>	<b>-</b>	<b>5 385</b>
<b>of which:</b>				
Current payments	738 963	714 502	(24 461)	-
Transfers and subsidies	6 802 113	6 831 959	-	29 846
Payments for capital assets	4 095	4 095	-	-
Executive authority	Minister of Energy			
Accounting officer	Director-General of Energy			
Website address	www.energy.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of new petroleum retail site inspections per year	Petroleum and Petroleum Products Regulation	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1 500	800	-
Number of additional households electrified per year <sup>1</sup>	Electrification and Energy Programme and Project Management	Outcome 9: A responsive, accountable, effective and efficient developmental local government system	240 000	112 104	-
Number of new bulk substations built per year <sup>1</sup>	Electrification and Energy Programme and Project Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	3	0	-
Number of additional substations upgraded per year <sup>1</sup>	Electrification and Energy Programme and Project Management		3	1	-
Kilometres of new medium voltage power lines constructed per year <sup>1</sup>	Electrification and Energy Programme and Project Management		90 km	28	-
Kilometres of existing medium voltage power lines upgraded per year <sup>1</sup>	Electrification and Energy Programme and Project Management		90 km	0	-
Number of non-grid connections per year <sup>1</sup>	Electrification and Energy Programme and Project Management	Outcome 9: A responsive, accountable, effective and efficient developmental local government system	20 000	1 359	-
Number of new operational integrated energy centres established per year	Electrification and Energy Programme and Project Management	Departmental mandate	1	1	-
Number of terawatt hours (TWh) of energy savings realised and verified from energy efficiency and demand side management projects per year	Clean Energy	Outcome 10: Protect and enhance our environmental assets and natural resources	0.5 TWh	0	-
Number of solar water heating units installed in residential and commercial sectors per year	Clean Energy		38 375	0	-

1. As at 31 August 2016.

## Mid-year progress

As at 31 August 2016, 112 104 households were connected to the grid and 1 359 households were provided with non-grid connections to electricity. The number of connections is expected to increase significantly in the second half of the financial year after the confirmation and verification of completed projects from the different spheres of government, and further still in the third quarter of 2016/17. No new substations have been completed due to administrative constraints and the delayed finalisation of environmental impact assessment processes, while one substation was upgraded. While some of the projects regarding the construction or upgrading of power lines are on schedule, most are experiencing delays due to the slow delivery of materials.

The establishment of the Thulamela integrated energy centre in Limpopo has been concluded, and the centre is now operational. The Qamata centre in Eastern Cape is currently under construction while the Bushbuckridge centre in Mpumalanga has been delayed, with construction expected to begin in the third quarter of 2016/17.

Whilst no solar water heater units have been installed, 18 100 units have been manufactured. The installation of delivered units is planned to begin in the third quarter of 2016/17.

No adjustments have been made to annual targets as it is expected that these will be met by year-end.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	240 137	-	-	4 685	-	-	4 685	244 822
Energy Policy and Planning	46 748	-	-	(3 230)	-	-	(3 230)	43 518
Petroleum and Petroleum Products Regulation	77 871	-	-	(343)	-	-	(343)	77 528
Electrification and Energy Programme and Project Management	5 699 907	5 385	-	(137)	-	-	5 248	5 705 155
Nuclear Energy	863 575	-	-	16 566	-	-	16 566	880 141
Clean Energy	616 933	-	-	(17 541)	-	-	(17 541)	599 392
<b>Total</b>	<b>7 545 171</b>	<b>5 385</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 385</b>	<b>7 550 556</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>738 963</b>	<b>-</b>	<b>-</b>	<b>(24 461)</b>	<b>-</b>	<b>-</b>	<b>(24 461)</b>	<b>714 502</b>
Compensation of employees	310 797	-	-	7 500	-	-	7 500	318 297
Goods and services	428 166	-	-	(31 961)	-	-	(31 961)	396 205
<b>Transfers and subsidies</b>	<b>6 802 113</b>	<b>5 385</b>	<b>-</b>	<b>24 461</b>	<b>-</b>	<b>-</b>	<b>29 846</b>	<b>6 831 959</b>
Provinces and municipalities	2 131 871	-	-	-	-	-	-	2 131 871
Departmental agencies and accounts	38 246	-	-	24 300	-	-	24 300	62 546
Foreign governments and international organisations	17 375	-	-	-	-	-	-	17 375
Public corporations and private enterprises	4 612 422	5 385	-	-	-	-	5 385	4 617 807
Households	2 199	-	-	161	-	-	161	2 360
<b>Payments for capital assets</b>	<b>4 095</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 095</b>
Machinery and equipment	4 095	-	-	-	-	-	-	4 095
<b>Total</b>	<b>7 545 171</b>	<b>5 385</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 385</b>	<b>7 550 556</b>

**Programme 1: Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	27 045	–	–	2 602	–	–	2 602	29 647
Departmental Management	52 273	–	–	3 952	–	–	3 952	56 225
Finance Administration	34 389	–	–	(179)	–	–	(179)	34 210
Audit Services	7 845	–	–	(68)	–	–	(68)	7 777
Corporate Services	86 524	–	–	370	–	–	370	86 894
Office Accommodation	32 061	–	–	(1 992)	–	–	(1 992)	30 069
<b>Total</b>	<b>240 137</b>	<b>–</b>	<b>–</b>	<b>4 685</b>	<b>–</b>	<b>–</b>	<b>4 685</b>	<b>244 822</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>232 858</b>	<b>–</b>	<b>–</b>	<b>4 685</b>	<b>–</b>	<b>–</b>	<b>4 685</b>	<b>237 543</b>
Compensation of employees	136 792	–	–	7 500	–	–	7 500	144 292
Goods and services	96 066	–	–	(2 815)	–	–	(2 815)	93 251
<b>Transfers and subsidies</b>	<b>3 184</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 184</b>
Departmental agencies and accounts	985	–	–	–	–	–	–	985
Households	2 199	–	–	–	–	–	–	2 199
<b>Payments for capital assets</b>	<b>4 095</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4 095</b>
Machinery and equipment	4 095	–	–	–	–	–	–	4 095
<b>Total</b>	<b>240 137</b>	<b>–</b>	<b>–</b>	<b>4 685</b>	<b>–</b>	<b>–</b>	<b>4 685</b>	<b>244 822</b>

**Programme 2: Energy Policy and Planning**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Policy Analysis and Research	2 421	–	–	(553)	–	–	(553)	1 868
Energy Planning	24 095	–	–	(2 366)	–	–	(2 366)	21 729
Hydrocarbon Policy	12 361	–	–	(130)	–	–	(130)	12 231
Electricity, Energy Efficiency and Environmental Policy	7 871	–	–	(181)	–	–	(181)	7 690
<b>Total</b>	<b>46 748</b>	<b>–</b>	<b>–</b>	<b>(3 230)</b>	<b>–</b>	<b>–</b>	<b>(3 230)</b>	<b>43 518</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>46 748</b>	<b>–</b>	<b>–</b>	<b>(3 230)</b>	<b>–</b>	<b>–</b>	<b>(3 230)</b>	<b>43 518</b>
Compensation of employees	34 769	–	–	–	–	–	–	34 769
Goods and services	11 979	–	–	(3 230)	–	–	(3 230)	8 749
<b>Total</b>	<b>46 748</b>	<b>–</b>	<b>–</b>	<b>(3 230)</b>	<b>–</b>	<b>–</b>	<b>(3 230)</b>	<b>43 518</b>

**Programme 3: Petroleum and Petroleum Products Regulation**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Petroleum Compliance, Monitoring and Enforcement	13 707	–	–	(138)	–	–	(138)	13 569
Petroleum Licensing and Fuel Supply	24 059	–	–	(50)	–	–	(50)	24 009
Fuel Pricing	7 547	–	–	(62)	–	–	(62)	7 485
Regional Petroleum Regulation Offices	32 558	–	–	(93)	–	–	(93)	32 465
<b>Total</b>	<b>77 871</b>	<b>–</b>	<b>–</b>	<b>(343)</b>	<b>–</b>	<b>–</b>	<b>(343)</b>	<b>77 528</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>77 871</b>	<b>–</b>	<b>–</b>	<b>(343)</b>	<b>–</b>	<b>–</b>	<b>(343)</b>	<b>77 528</b>
Compensation of employees	56 792	–	–	–	–	–	–	56 792
Goods and services	21 079	–	–	(343)	–	–	(343)	20 736
<b>Total</b>	<b>77 871</b>	<b>–</b>	<b>–</b>	<b>(343)</b>	<b>–</b>	<b>–</b>	<b>(343)</b>	<b>77 528</b>

**Programme 4: Electrification and Energy Programme and Project Management**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Integrated National Electrification Programme	5 657 039	5 385	–	13	–	–	5 398	5 662 437
Energy Regional Offices Programme and Project Management Office	15 687	–	–	(9)	–	–	(9)	15 678
Electricity Infrastructure/Industry Transformation	11 532	–	–	(2 563)	–	–	(2 563)	8 969
Community Upliftment Programmes and Projects	9 727	–	–	2 457	–	–	2 457	12 184
	5 922	–	–	(35)	–	–	(35)	5 887
<b>Total</b>	<b>5 699 907</b>	<b>5 385</b>	<b>–</b>	<b>(137)</b>	<b>–</b>	<b>–</b>	<b>5 248</b>	<b>5 705 155</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>60 903</b>	<b>–</b>	<b>–</b>	<b>(137)</b>	<b>–</b>	<b>–</b>	<b>(137)</b>	<b>60 766</b>
Compensation of employees	45 749	–	–	–	–	–	–	45 749
Goods and services	15 154	–	–	(137)	–	–	(137)	15 017
<b>Transfers and subsidies</b>	<b>5 639 004</b>	<b>5 385</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5 385</b>	<b>5 644 389</b>
Provinces and municipalities	1 946 246	–	–	–	–	–	–	1 946 246
Public corporations and private enterprises	3 692 758	5 385	–	–	–	–	5 385	3 698 143
<b>Total</b>	<b>5 699 907</b>	<b>5 385</b>	<b>–</b>	<b>(137)</b>	<b>–</b>	<b>–</b>	<b>5 248</b>	<b>5 705 155</b>

**Programme 5: Nuclear Energy**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Nuclear Safety and Technology	651 669	–	–	214 238	–	–	214 238	865 907
Nuclear Non-proliferation and Radiation Security	8 314	–	–	(10)	–	–	(10)	8 304
Nuclear Policy	203 592	–	–	(197 662)	–	–	(197 662)	5 930
<b>Total</b>	<b>863 575</b>	<b>–</b>	<b>–</b>	<b>16 566</b>	<b>–</b>	<b>–</b>	<b>16 566</b>	<b>880 141</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>230 226</b>	<b>–</b>	<b>–</b>	<b>(7 895)</b>	<b>–</b>	<b>–</b>	<b>(7 895)</b>	<b>222 331</b>
Compensation of employees	19 429	–	–	–	–	–	–	19 429
Goods and services	210 797	–	–	(7 895)	–	–	(7 895)	202 902
<b>Transfers and subsidies</b>	<b>633 349</b>	<b>–</b>	<b>–</b>	<b>24 461</b>	<b>–</b>	<b>–</b>	<b>24 461</b>	<b>657 810</b>
Departmental agencies and accounts	16 636	–	–	24 300	–	–	24 300	40 936
Foreign governments and international organisations	17 375	–	–	–	–	–	–	17 375
Public corporations and private enterprises	599 338	–	–	–	–	–	–	599 338
Households	–	–	–	161	–	–	161	161
<b>Total</b>	<b>863 575</b>	<b>–</b>	<b>–</b>	<b>16 566</b>	<b>–</b>	<b>–</b>	<b>16 566</b>	<b>880 141</b>

**Programme 6: Clean Energy**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Energy Efficiency	581 964	–	–	(17 436)	–	–	(17 436)	564 528
Renewable Energy	27 144	–	–	(89)	–	–	(89)	27 055
Climate Change and Designated National Authority	7 825	–	–	(16)	–	–	(16)	7 809
<b>Total</b>	<b>616 933</b>	<b>–</b>	<b>–</b>	<b>(17 541)</b>	<b>–</b>	<b>–</b>	<b>(17 541)</b>	<b>599 392</b>

**Programme 6: Clean Energy (continued)**

Economic classification	2016/17								
	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>90 357</b>	-	-	(17 541)	-	-	(17 541)	<b>72 816</b>	
Compensation of employees	17 266	-	-	-	-	-	-	17 266	
Goods and services	73 091	-	-	(17 541)	-	-	(17 541)	55 550	
<b>Transfers and subsidies</b>	<b>526 576</b>	-	-	-	-	-	-	<b>526 576</b>	
Provinces and municipalities	185 625	-	-	-	-	-	-	185 625	
Departmental agencies and accounts	20 625	-	-	-	-	-	-	20 625	
Public corporations and private enterprises	320 326	-	-	-	-	-	-	320 326	
<b>Total</b>	<b>616 933</b>	-	-	(17 541)	-	-	(17 541)	<b>599 392</b>	

**Details of adjustments to the Estimates of National Expenditure 2016****Roll-overs – R5.385 million**

Programme 4: Electrification and Energy Programme and Project Management

R5.385 million has been rolled over for payments to non-grid service providers to finalise non-grid electricity connections to households.

**Virements and shifts within votes****Programmes**

1. Administration
2. Energy Policy and Planning
3. Petroleum and Petroleum Products Regulation
4. Electrification and Energy Programme and Project Management
5. Nuclear Energy
6. Clean Energy

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(3 012)</b>	<b>Programme 5</b>		<b>3 012</b>
Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	(3 012)	Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	3 012
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.3%			
<b>Programme 2</b>		<b>(3 230)</b>	<b>Programme 1</b>		<b>3 041</b>
Goods and services	Reallocation of funds from various stationery items and office supplies	(41)	Goods and services	Centralisation of procurement of newspapers	41
	Reallocation of funds from various items	(3 000)	Compensation of employees	Correction of previous under budgeting <sup>2</sup>	3 000
	Reclassification of funds incorrectly classified in the 2016 ENE	(189)	<b>Programme 5</b>		<b>189</b>
			Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	189
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		6.9%			

2016 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>(343)</b>	<b>Programme 1</b>		<b>9</b>
Goods and services	Reallocation of funds from stationery items and office supplies	(9)	Goods and services	Centralisation of procurement of newspapers	9
	Reclassification of funds incorrectly classified in the 2016 ENE	(334)	<b>Programme 5</b>		<b>334</b>
			Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	334
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>			
<b>Programme 4</b>		<b>(137)</b>	<b>Programme 1</b>		<b>24</b>
Goods and services	Reallocation of funds from stationery items and office supplies	(24)	Goods and services	Centralisation of procurement of newspapers	24
	Reclassification of funds incorrectly classified in the 2016 ENE	(113)	<b>Programme 5</b>		<b>113</b>
			Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	113
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(12 338)</b>	<b>Programme 1</b>		<b>27</b>
Goods and services	Reallocation of funds from stationery items and office supplies	(27)	Goods and services	Centralisation of procurement of newspapers	27
	Reallocation of funds from business and advisory services and consultants	(12 150)	<b>Programme 5</b>		<b>12 311</b>
	Reallocation of funds from various non-core items	(161)	Departmental agencies and accounts	Transfer payment to the National Nuclear Regulator for the assessment of Eskom's licence application for the nuclear installation site <sup>1</sup>	12 150
			Households	Scholarships for non-employees	161
Shifts within the programme as a percentage of the programme budget		1.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 6</b>		<b>(17 541)</b>	<b>Programme 1</b>		<b>4 596</b>
Goods and services	Reallocation of funds from stationery items and office supplies	(96)	Goods and services	Centralisation of procurement of newspapers	96
	Reallocation of funds from various items	(4 500)	Compensation of employees	Correction of previous under budgeting <sup>2</sup>	4 500
	Reclassification of funds incorrectly classified in the 2016 ENE	(795)	<b>Programme 5</b>		<b>12 945</b>
	Reallocation of funds from business and advisory services, and consultants	(12 150)	Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	795
			Departmental agencies and accounts	Transfer payment to the National Nuclear Regulator for the assessment of Eskom's nuclear installation site licence application <sup>1</sup>	12 150
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.8%</b>			
<b>Total</b>		<b>(36 601)</b>			<b>36 601</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

## Gifts, donations and sponsorships – R161 000

### Programme 5: Nuclear Energy

The department will make a donation of R161 000 to sponsor travel and related expenditure for a two-year scholarship for a master's degree programme at the Korea Electric Power Corporation International Nuclear Graduate School in South Korea. The university has provided a scholarship covering institution fees,

accommodation and meals for the student, while the department is responsible for financial assistance relating to travelling expenses, a monthly stipend payable to the scholar, and annual health insurance. The programme began in February 2016 and will end in December 2017.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17			
	Adjusted appropriation	Audited outcome		Actual expenditure		Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
Apr 15 - Sep 15 % of adjusted appropriation		Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Apr 16 - Sep 16				
R thousand									
Administration	246 598	130 563	52.9	277 767	112.6	244 822	3.2	143 657	58.7
Energy Policy and Planning	44 096	17 503	39.7	38 095	86.4	43 518	0.6	18 467	42.4
Petroleum and Petroleum Products Regulation	73 378	33 294	45.4	68 958	94.0	77 528	1.0	39 496	50.9
Electrification and Energy Programme and Project Management	5 813 822	3 699 637	63.6	5 820 485	100.1	5 705 155	75.6	3 713 977	65.1
Nuclear Energy	653 898	579 207	88.6	655 029	100.2	880 141	11.7	663 354	75.4
Clean Energy	435 827	89 487	20.5	281 783	64.7	599 392	7.9	88 056	14.7
<b>Total</b>	<b>7 267 619</b>	<b>4 549 691</b>	<b>62.6</b>	<b>7 142 117</b>	<b>98.3</b>	<b>7 550 556</b>	<b>100.0</b>	<b>4 667 008</b>	<b>61.8</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>508 769</b>	<b>230 146</b>	<b>45.2</b>	<b>509 310</b>	<b>100.1</b>	<b>714 502</b>	<b>9.5</b>	<b>318 735</b>	<b>44.6</b>
Compensation of employees	289 479	143 668	49.6	296 011	102.3	318 297	4.2	159 533	50.1
Goods and services	219 290	86 478	39.4	213 299	97.3	396 205	5.2	159 202	40.2
<b>Transfers and subsidies</b>	<b>6 754 843</b>	<b>4 317 189</b>	<b>63.9</b>	<b>6 628 378</b>	<b>98.1</b>	<b>6 831 959</b>	<b>90.5</b>	<b>4 346 219</b>	<b>63.6</b>
Provinces and municipalities	2 158 239	1 183 264	54.8	2 158 239	100.0	2 131 871	28.2	1 031 246	48.4
Departmental agencies and accounts	87 140	48 600	55.8	87 140	100.0	62 546	0.8	36 008	57.6
Foreign governments and international organisations	19 612	457	2.3	29 563	150.7	17 375	0.2	2 722	15.7
Public corporations and private enterprises	4 489 464	3 082 321	68.7	4 349 780	96.9	4 617 807	61.2	3 275 474	70.9
Households	388	2 547	656.4	3 656	942.3	2 360	-	769	32.6
<b>Payments for capital assets</b>	<b>4 007</b>	<b>2 351</b>	<b>58.7</b>	<b>4 424</b>	<b>110.4</b>	<b>4 095</b>	<b>0.1</b>	<b>2 027</b>	<b>49.5</b>
Machinery and equipment	4 007	2 351	58.7	4 424	110.4	4 095	0.1	2 027	49.5
<b>Payments for financial assets</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>-</b>
<b>Total</b>	<b>7 267 619</b>	<b>4 549 691</b>	<b>62.6</b>	<b>7 142 117</b>	<b>98.3</b>	<b>7 550 556</b>	<b>100.0</b>	<b>4 667 008</b>	<b>61.8</b>

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 98.3 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R4.7 billion, or 61.8 per cent of the adjusted appropriation of R7.6 billion for the year. In comparison, mid-year expenditure in 2015/16 was R4.5 billion, or 62.6 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R117.3 million, or 2.6 per cent. This was mainly due to higher expenditure for computer services and consultants for the nuclear new build programme, compensation of employees spending, operating leases relating to the relocation of regional offices, and higher transfers to Eskom for the integrated national electrification programme due to a higher budget.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>3 950</b>	<b>2 608</b>	<b>66.0</b>	<b>805 987</b>	<b>20 404.7</b>	<b>4 840</b>	<b>5 975</b>	<b>100.0</b>	<b>3 546</b>	<b>59.3</b>
Sales of goods and services produced by department	2 849	1 633	57.3	3 885	136.4	3 353	3 820	63.9	1 927	50.4
Sales of scrap, waste, arms and other used current goods	2	-	-	-	-	2	-	-	-	-
Transfers received	513	513	100.0	1 059	206.4	1 000	1 750	29.3	1 330	76.0
Interest, dividends and rent on land	28	19	67.9	489	1 746.4	29	130	2.2	65	50.0
Sales of capital assets	111	111	100.0	111	100.0	-	-	-	-	-
Transactions in financial assets and liabilities	447	332	74.3	800 443	179 070.0	456	275	4.6	224	81.5
<b>Total</b>	<b>3 950</b>	<b>2 608</b>	<b>66.0</b>	<b>805 987</b>	<b>20 404.7</b>	<b>4 840</b>	<b>5 975</b>	<b>100.0</b>	<b>3 546</b>	<b>59.3</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R3.5 million, or 59.3 per cent of the adjusted revenue estimate of R6 million for the year. In comparison, mid-year revenue in 2015/16 was R2.6 million, or 66 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R938 000, or 36 per cent. This was mainly due to higher petroleum licence fees collected (including overdue fees), as well as revenue received from various affiliated energy sector education and training authorities for training purposes.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Electrification and Energy Programme and Project Management</b>								
<b>Public corporations and private enterprises</b>								
<b>Private enterprises</b>								
<b>Subsidies on production or products</b>								
<b>Capital</b>	<b>166 424</b>	<b>5 385</b>	-	-	-	-	<b>5 385</b>	<b>171 809</b>
Integrated national electrification programme	166 424	5 385	-	-	-	-	5 385	171 809
<b>Nuclear Energy</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>16 238</b>	-	-	<b>24 300</b>	-	-	<b>24 300</b>	<b>40 538</b>
National Nuclear Regulator	16 238	-	-	24 300	-	-	24 300	40 538
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	-	-	-	<b>161</b>	-	-	<b>161</b>	<b>161</b>
Households: Bursaries (non-employees)	-	-	-	161	-	-	161	161

# Vote 27

## Environmental Affairs

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>6 430 101</b>	<b>6 425 101</b>	<b>(5 000)</b>	<b>-</b>
<b>of which:</b>				
Current payments	2 268 522	2 127 390	(141 132)	-
Transfers and subsidies	3 999 484	4 135 616	-	136 132
Payments for capital assets	162 095	162 095	-	-
Executive authority	Minister of Environmental Affairs			
Accounting officer	Director-General of Environmental Affairs			
Website address	www.environment.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance			
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17	
Number of interventions developed per year for streamlining environmental authorisations for strategic infrastructure programmes and the industrial policy action plan	Administration	Outcome 10: Protect and enhance our environmental assets and natural resources	1	1	-	
Percentage of national environmental impact management applications processed within stipulated timeframes per year <sup>1</sup>	Legal, Authorisations and Compliance		92% (392)	92% (100)	-	
Number of environmental authorisations inspected per year	Legal, Authorisations and Compliance		155	96	-	
Improvement in the national air quality indicator (index < 1)	Climate Change and Air Quality		1.25	- <sup>2</sup>	-	
Number of climate change response policy interventions implemented per year	Climate Change and Air Quality		18	10	-	
Total percentage of land under conservation	Biodiversity and Conservation		12.2% (14 900 446ha /121 991 200ha)	11.9% (14 575 544ha /121 991 200ha)	-	
Number of natural resource based enterprises established in support of Vision 2024 per year	Biodiversity and Conservation		10	5	-	
Number of work opportunities created through projects related to the expanded public works programme per year	Environmental Programmes		Outcome 4: Decent employment through inclusive economic growth	71 716	41 666	-
Number of full time equivalent jobs created through projects related to the expanded public works programme per year	Environmental Programmes			38 377	10 577	-
Total percentage of recycling waste diverted from landfill sites	Chemicals and Waste Management		Outcome 10: Protect and enhance our environmental assets and natural resources	40% (69 678.88 tonnes)	12% (20 903.66 tonnes)	-

<sup>1</sup>. These percentages apply only if no more than 400 applications are received per year.

<sup>2</sup>. Index result from the South African air quality information system will only be available by the end of 2016/17.

### Mid-year progress

The progress on all indicators is in line with planned targets for the first six months and the department expects to reach its annual targets by the end of 2016/17.

There has been a lag in the achievement of targets for the number of work opportunities created through the expanded public works programme due to strict monitoring measures imposed on the implementing agencies, which has led to both slow expenditure and the targets not being met.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	808 226	-	-	-	(5 000)	-	(5 000)	803 226	
Legal, Authorisations and Compliance	164 647	-	-	-	-	-	-	164 647	
Oceans and Coasts	475 041	-	-	-	-	-	-	475 041	
Climate Change and Air Quality	289 582	-	-	-	-	-	-	289 582	
Biodiversity and Conservation	718 249	-	-	-	-	-	-	718 249	
Environmental Programmes	3 865 083	-	-	-	-	-	-	3 865 083	
Chemicals and Waste Management	109 273	-	-	-	-	-	-	109 273	
<b>Total</b>	<b>6 430 101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>(5 000)</b>	<b>6 425 101</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 268 522</b>	<b>-</b>	<b>-</b>	<b>(136 132)</b>	<b>(5 000)</b>	<b>-</b>	<b>(141 132)</b>	<b>2 127 390</b>	
Compensation of employees	1 001 609	-	-	-	(5 000)	-	(5 000)	996 609	
Goods and services	1 266 913	-	-	(136 132)	-	-	(136 132)	1 130 781	
<b>Transfers and subsidies</b>	<b>3 999 484</b>	<b>-</b>	<b>-</b>	<b>136 132</b>	<b>-</b>	<b>-</b>	<b>136 132</b>	<b>4 135 616</b>	
Departmental agencies and accounts	1 301 157	-	-	-	-	-	-	1 301 157	
Foreign governments and international organisations	16 000	-	-	-	-	-	-	16 000	
Public corporations and private enterprises	180 000	-	-	-	-	-	-	180 000	
Non-profit institutions	3 761	-	-	726	-	-	726	4 487	
Households	2 498 566	-	-	135 406	-	-	135 406	2 633 972	
<b>Payments for capital assets</b>	<b>162 095</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>162 095</b>	
Buildings and other fixed structures	135 954	-	-	-	-	-	-	135 954	
Machinery and equipment	26 141	-	-	-	-	-	-	26 141	
<b>Total</b>	<b>6 430 101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>(5 000)</b>	<b>6 425 101</b>	

### Programme 1: Administration

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Management	86 040	-	-	-	-	-	-	86 040	
Corporate Affairs	264 398	-	-	-	(5 000)	-	(5 000)	259 398	
Environmental Advisory Services	108 475	-	-	-	-	-	-	108 475	
Financial Management	65 138	-	-	-	-	-	-	65 138	
Office Accommodation	220 603	-	-	-	-	-	-	220 603	
Environmental Sector Coordination	63 572	-	-	-	-	-	-	63 572	
<b>Total</b>	<b>808 226</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>(5 000)</b>	<b>803 226</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>651 973</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>(5 000)</b>	<b>646 973</b>	
Compensation of employees	385 900	-	-	-	(5 000)	-	(5 000)	380 900	
Goods and services	266 073	-	-	-	-	-	-	266 073	
<b>Transfers and subsidies</b>	<b>16 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 000</b>	
Foreign governments and international organisations	16 000	-	-	-	-	-	-	16 000	
<b>Payments for capital assets</b>	<b>140 253</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140 253</b>	
Buildings and other fixed structures	135 954	-	-	-	-	-	-	135 954	
Machinery and equipment	4 299	-	-	-	-	-	-	4 299	
<b>Total</b>	<b>808 226</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>(5 000)</b>	<b>803 226</b>	

**Programme 4: Climate Change and Air Quality****Subprogramme**

R thousand	Main appropriation	2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Climate Change Management	7 576	-	-	-	-	-	-	7 576
Climate Change Mitigation	8 651	-	-	-	-	-	-	8 651
Climate Change Adaptation	4 771	-	-	-	-	-	-	4 771
Air Quality Management	42 549	-	-	-	-	-	-	42 549
South African Weather Service	204 985	-	-	-	-	-	-	204 985
International Climate Change Relations and Negotiations	11 032	-	-	-	-	-	-	11 032
Climate Change Monitoring and Evaluation	10 018	-	-	-	-	-	-	10 018
<b>Total</b>	<b>289 582</b>	-	-	-	-	-	-	<b>289 582</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>81 952</b>	-	-	<b>74</b>	-	-	<b>74</b>	<b>82 026</b>
Compensation of employees	53 691	-	-	-	-	-	-	53 691
Goods and services	28 261	-	-	74	-	-	74	28 335
<b>Transfers and subsidies</b>	<b>206 459</b>	-	-	<b>(74)</b>	-	-	<b>(74)</b>	<b>206 385</b>
Departmental agencies and accounts	204 985	-	-	-	-	-	-	204 985
Non-profit institutions	1 474	-	-	(74)	-	-	(74)	1 400
<b>Payments for capital assets</b>	<b>1 171</b>	-	-	-	-	-	-	<b>1 171</b>
Machinery and equipment	1 171	-	-	-	-	-	-	1 171
<b>Total</b>	<b>289 582</b>	-	-	-	-	-	-	<b>289 582</b>

**Programme 5: Biodiversity and Conservation****Subprogramme**

R thousand	Main appropriation	2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Biodiversity and Conservation Management	17 927	-	-	-	-	-	-	17 927
Biodiversity Planning and Management	27 161	-	-	-	-	-	-	27 161
Protected Areas Systems Management	50 042	-	-	-	-	-	-	50 042
iSimangaliso Wetland Park Authority	33 031	-	-	-	-	-	-	33 031
South African National Parks	278 939	-	-	-	-	-	-	278 939
South African National Biodiversity Institute	237 973	-	-	-	-	-	-	237 973
Biodiversity Monitoring and Evaluation	6 519	-	-	-	-	-	-	6 519
Biodiversity Economy and Sustainable Use	66 657	-	-	-	-	-	-	66 657
<b>Total</b>	<b>718 249</b>	-	-	-	-	-	-	<b>718 249</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>165 301</b>	-	-	<b>(800)</b>	-	-	<b>(800)</b>	<b>164 501</b>
Compensation of employees	69 013	-	-	-	-	-	-	69 013
Goods and services	96 288	-	-	(800)	-	-	(800)	95 488
<b>Transfers and subsidies</b>	<b>552 230</b>	-	-	<b>800</b>	-	-	<b>800</b>	<b>553 030</b>
Departmental agencies and accounts	549 943	-	-	-	-	-	-	549 943
Non-profit institutions	2 287	-	-	800	-	-	800	3 087
<b>Payments for capital assets</b>	<b>718</b>	-	-	-	-	-	-	<b>718</b>
Machinery and equipment	718	-	-	-	-	-	-	718
<b>Total</b>	<b>718 249</b>	-	-	-	-	-	-	<b>718 249</b>

**Programme 6: Environmental Programmes**

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
Environmental Protection and Infrastructure Programme	1 544 898	-	-	-	-	-	-	1 544 898
Working for Water and Working on Fire Green Fund	2 064 122	-	-	1 581	-	-	1 581	2 065 703
Environmental Programmes Management	180 000	-	-	-	-	-	-	180 000
Information Management and Sector Coordination	7 516	-	-	(500)	-	-	(500)	7 016
	68 547	-	-	(1 081)	-	-	(1 081)	67 466
<b>Total</b>	<b>3 865 083</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 865 083</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>643 092</b>	<b>-</b>	<b>-</b>	<b>(135 406)</b>	<b>-</b>	<b>-</b>	<b>(135 406)</b>	<b>507 686</b>
Compensation of employees	220 453	-	-	-	-	-	-	220 453
Goods and services	422 639	-	-	(135 406)	-	-	(135 406)	287 233
<b>Transfers and subsidies</b>	<b>3 217 952</b>	<b>-</b>	<b>-</b>	<b>135 406</b>	<b>-</b>	<b>-</b>	<b>135 406</b>	<b>3 353 358</b>
Departmental agencies and accounts	539 386	-	-	-	-	-	-	539 386
Public corporations and private enterprises	180 000	-	-	-	-	-	-	180 000
Households	2 498 566	-	-	135 406	-	-	135 406	2 633 972
<b>Payments for capital assets</b>	<b>4 039</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 039</b>
Machinery and equipment	4 039	-	-	-	-	-	-	4 039
<b>Total</b>	<b>3 865 083</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 865 083</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

- Administration
- Legal, Authorisations and Compliance
- Oceans and Coasts
- Climate Change and Air Quality
- Biodiversity and Conservation
- Environmental Programmes
- Chemicals and Waste Management

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(74)</b>	<b>Programme 4</b>		<b>74</b>
Non-profit institutions	Reallocation of funds incorrectly allocated in the 2016 ENE <sup>1</sup>	(74)	Goods and services	Reallocation of funds incorrectly allocated in the 2016 ENE	74
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(800)</b>	<b>Programme 5</b>		<b>800</b>
Goods and services	Reallocation of funds incorrectly allocated in the 2016 ENE	(800)	Non-profit institutions	Reallocation of funds incorrectly allocated in the 2016 ENE <sup>1</sup>	800
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 6</b>		<b>(135 406)</b>	<b>Programme 6</b>		<b>135 406</b>
Goods and services	Reallocation of funds incorrectly allocated in the 2016 ENE	(135 406)	Households	Reallocation of funds incorrectly allocated in the 2016 ENE <sup>1</sup>	135 406
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>0.0%</b>			
<b>Total</b>		<b>(136 280)</b>			<b>136 280</b>

<sup>1</sup> National Treasury approval has been obtained.

## Declared unspent funds – R5 million

### Programme 1: Administration

R5 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - adjusted % of appropriation	Apr 15 - Mar 16	Apr 15 - adjusted % of appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - adjusted % of appropriation		
R thousand										
Administration	870 184	387 725	44.6	832 483	95.7	803 226	12.5	374 707	46.7	
Legal, Authorisations and Compliance	133 921	59 416	44.4	131 418	98.1	164 647	2.6	63 414	38.5	
Oceans and Coasts	399 529	173 858	43.5	368 659	92.3	475 041	7.4	226 208	47.6	
Climate Change and Air Quality	240 149	127 413	53.1	246 114	102.5	289 582	4.5	145 427	50.2	
Biodiversity and Conservation	730 600	325 889	44.6	699 863	95.8	718 249	11.2	409 716	57.0	
Environmental Programmes	3 489 633	1 753 235	50.2	3 579 643	102.6	3 865 083	60.2	1 455 222	37.7	
Chemicals and Waste Management	79 281	33 996	42.9	79 740	100.6	109 273	1.7	33 939	31.1	
<b>Total</b>	<b>5 943 297</b>	<b>2 861 532</b>	<b>48.1</b>	<b>5 937 920</b>	<b>99.9</b>	<b>6 425 101</b>	<b>100.0</b>	<b>2 708 633</b>	<b>42.2</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>2 000 480</b>	<b>871 591</b>	<b>43.6</b>	<b>1 912 644</b>	<b>95.6</b>	<b>2 127 390</b>	<b>33.1</b>	<b>942 203</b>	<b>44.3</b>	
Compensation of employees	930 681	456 736	49.1	909 177	97.7	996 609	15.5	487 959	49.0	
Goods and services	1 069 799	414 855	38.8	1 003 467	93.8	1 130 781	17.6	454 244	40.2	
<b>Transfers and subsidies</b>	<b>3 759 775</b>	<b>1 923 998</b>	<b>51.2</b>	<b>3 863 509</b>	<b>102.8</b>	<b>4 135 616</b>	<b>64.4</b>	<b>1 676 148</b>	<b>40.5</b>	
Provinces and municipalities	–	10	–	42	–	–	–	81	–	
Departmental agencies and accounts	1 111 415	567 719	51.1	1 112 461	100.1	1 301 157	20.3	392 412	30.2	
Foreign governments and international organisations	16 000	–	–	16 000	100.0	16 000	0.2	–	–	
Public corporations and private enterprises	300 000	–	–	300 000	100.0	180 000	2.8	–	–	
Non-profit institutions	3 687	3 487	94.6	3 687	100.0	4 487	0.1	4 287	95.5	
Households	2 328 673	1 352 782	58.1	2 431 319	104.4	2 633 972	41.0	1 279 368	48.6	
<b>Payments for capital assets</b>	<b>183 042</b>	<b>65 542</b>	<b>35.8</b>	<b>160 859</b>	<b>87.9</b>	<b>162 095</b>	<b>2.5</b>	<b>90 094</b>	<b>55.6</b>	
Buildings and other fixed structures	135 516	52 687	38.9	129 353	95.5	135 954	2.1	54 473	40.1	
Machinery and equipment	47 526	12 855	27.0	29 682	62.5	26 141	0.4	35 042	134.0	
Software and other intangible assets	–	–	–	1 824	–	–	–	579	–	
<b>Payments for financial assets</b>	<b>–</b>	<b>401</b>	<b>–</b>	<b>908</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>188</b>	<b>–</b>	
<b>Total</b>	<b>5 943 297</b>	<b>2 861 532</b>	<b>48.1</b>	<b>5 937 920</b>	<b>99.9</b>	<b>6 425 101</b>	<b>100.0</b>	<b>2 708 633</b>	<b>42.2</b>	

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.9 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R2.7 billion or 42.2 per cent of the adjusted appropriation of R6.4 billion for the year. The department hosted the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) COP 17 in September and early October 2016 for which expenditure had already been incurred in the first six months of 2016/17. The establishment of the Waste Management Bureau is in progress and expenditure for this will begin to increase towards the end of 2016/17. Expenditure on the expanded public works programme in the first half of the financial year is much lower than in 2015/16 for the equivalent period as the department is awaiting the decision of the Auditor-General and National Treasury on the implementation of the correct accounting method for the modified cash standard. In comparison, mid-year expenditure in 2015/16 was R2.9 billion, or 48.1 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R152.9 million, or 5.3 per cent. This was mainly due to slow spending on transfer payments to implementing agents under the expanded public works programme, as a result of tighter monitoring to determine whether the spending was done in line with the amounts allocated for 2016/17.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome		Actual receipts		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	
		Apr 15 - Sep 15	adjusted estimate	Apr 15 - Mar 16	adjusted estimate				Apr 16 - Sep 16	adjusted estimate
<b>Departmental receipts</b>	<b>10 955</b>	<b>5 622</b>	<b>51.3</b>	<b>11 486</b>	<b>104.8</b>	<b>27 311</b>	<b>28 294</b>	<b>100.0</b>	<b>14 719</b>	<b>52.0</b>
Sales of goods and services produced by department	3 775	2 122	56.2	3 790	100.4	3 972	4 208	14.9	2 338	55.6
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	2	2	–	–	–
Transfers received	–	–	–	–	–	–	244	0.9	–	–
Fines, penalties and forfeits	1 400	610	43.6	2 080	148.6	1 450	1 450	5.1	1 000	69.0
Interest, dividends and rent on land	80	38	47.5	124	155.0	82	150	0.5	88	58.7
Sales of capital assets	300	54	18.0	114	38.0	305	100	0.4	42	42.0
Transactions in financial assets and liabilities	5 400	2 798	51.8	5 378	99.6	21 500	22 140	78.2	11 251	50.8
<b>Total</b>	<b>10 955</b>	<b>5 622</b>	<b>51.3</b>	<b>11 486</b>	<b>104.8</b>	<b>27 311</b>	<b>28 294</b>	<b>100.0</b>	<b>14 719</b>	<b>52.0</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R14.7 million, or 52 per cent of the adjusted revenue estimate of R28.3 million for the year. In comparison, mid-year revenue in 2015/16 was R5.6 million, or 51.3 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R9.1 million, or 161.8 per cent. This was mainly due to funds received from the National Research Fund for salary claims for the teams for the voyage to Antarctica, Marion Island and Gough Island in 2016/17, and revenue from fines from the industry for non-compliance with air quality, waste management and biodiversity regulations.

## Changes to transfers and subsidies

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Climate Change and Air Quality</b>								
<b>Non-profit institutions</b>								
Current	1 474	–	–	(74)	–	–	(74)	1 400
National Association for Clean Air	1 474	–	–	(74)	–	–	(74)	1 400
<b>Biodiversity and Conservation</b>								
<b>Non-profit institutions</b>								
Current	1 000	–	–	800	–	–	800	1 800
African World Heritage Fund	1 000	–	–	800	–	–	800	1 800
<b>Environmental Programmes</b>								
<b>Households</b>								
<b>Other transfers to households</b>								
Current	1 402 431	–	–	135 406	–	–	135 406	1 537 837
Expanded Public Works	900 732	–	–	18 994	–	–	18 994	919 726
Programme: Working for Water	501 699	–	–	116 412	–	–	116 412	618 111
Expanded Public Works								
Programme: Working on Fire								

# Vote 28

## Labour

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>2 847 877</b>	<b>2 842 877</b>	<b>(5 000)</b>	<b>-</b>
<b>of which:</b>				
Current payments	1 714 830	1 675 880	(38 950)	-
Transfers and subsidies	1 064 621	1 063 403	(1 218)	-
Payments for capital assets	68 426	103 594	-	35 168
Executive authority	Minister of Labour			
Accounting officer	Director-General of Labour			
Website address	www.labour.gov.za/DOL			

### Vote purpose

*Play a significant role in reducing unemployment, poverty and inequality through pursuing the objectives of full and productive employment and decent work for all, including: employment creation and enterprise development; standards and rights at work including equality of opportunities; social protection; and social dialogue.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September) <sup>1</sup>	Changed target for 2016/17
Total number of workplaces/employers inspected and reviewed per year to determine compliance with various labour legislation	Inspection and Enforcement Services	Outcome 4: Decent employment through inclusive economic growth	175 478	96 513	-
Percentage of reported incidents per year investigated within 90 days	Inspection and Enforcement Services		62%	89% (419 of 469)	-
Number of work seekers registered on the employment services of South Africa database system per year	Public Employment Services		500 000	297 426	-
Number of registered work seekers provided with employment counselling per year	Public Employment Services		150 000	101 362	-
Number of registered employment opportunities filled by registered work seekers per year	Public Employment Services		8 000	4 960	-
Income differentials in pay assessed to promote the principle of equal pay for work of equal value	Labour Policy and Industrial Relations		30	- <sup>2</sup>	-
Number of pay scales assessed per year to reduce gaps in minimum wage determinations	Labour Policy and Industrial Relations		2	2	-

1. This performance data has not yet been audited by the department.

2. Indicator removed from the 2016/17 annual performance plan.

### Mid-year progress

The duration of an investigation is impacted by the complexity of reported cases. The department exceeded its target on the percentage of reported incidents per year investigated within 90 days, due to the cases reported being less complex which enabled the inspectors to investigate more reported cases.

By the end of the first half of 2016/17, 101 362 work-seekers had been provided with employment counselling and 4 960 registered employment opportunities had been filled. The department achieved 68 per

cent of the target of registered work seekers provided with employment counselling due to increased advocacy campaigns and exhibitions held. The number of registered employment opportunities filled includes employment opportunities from the fourth quarter of 2015/16, which was only reported in 2016/17.

The completion of the equal pay principle test and the development of the code of good practice on equal pay for work of equal value in June 2015 necessitated the removal of the indicator on the number of income differentials in pay assessed per year. This indicator is now being enforced by the Commission for Conciliation, Mediation and Arbitration in accordance with the Employment Equity Amendment Act (2013). The removal of the indicator does not affect the budget of the *Labour Policy and Industrial Relations* programme.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	852 921	-	-	7 193	(3 500)	-	3 693	856 614
Inspection and Enforcement Services	519 494	-	-	(8 653)	(1 500)	-	(10 153)	509 341
Public Employment Services	510 269	-	-	(3 066)	-	-	(3 066)	507 203
Labour Policy and Industrial Relations	965 193	-	-	4 526	-	-	4 526	969 719
<b>Total</b>	<b>2 847 877</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>(5 000)</b>	<b>2 842 877</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 714 830</b>	<b>-</b>	<b>-</b>	<b>(33 950)</b>	<b>(5 000)</b>	<b>-</b>	<b>(38 950)</b>	<b>1 675 880</b>
Compensation of employees	1 132 239	-	-	(19 269)	(5 000)	-	(24 269)	1 107 970
Goods and services	582 591	-	-	(14 681)	-	-	(14 681)	567 910
<b>Transfers and subsidies</b>	<b>1 064 621</b>	<b>-</b>	<b>-</b>	<b>(1 218)</b>	<b>-</b>	<b>-</b>	<b>(1 218)</b>	<b>1 063 403</b>
Provinces and municipalities	471	-	-	230	-	-	230	701
Departmental agencies and accounts	867 794	-	-	500	-	-	500	868 294
Foreign governments and international organisations	20 566	-	-	1 391	-	-	1 391	21 957
Non-profit institutions	175 464	-	-	(5 820)	-	-	(5 820)	169 644
Households	326	-	-	2 481	-	-	2 481	2 807
<b>Payments for capital assets</b>	<b>68 426</b>	<b>-</b>	<b>-</b>	<b>35 168</b>	<b>-</b>	<b>-</b>	<b>35 168</b>	<b>103 594</b>
Buildings and other fixed structures	28 000	-	-	-	-	-	-	28 000
Machinery and equipment	40 426	-	-	35 168	-	-	35 168	75 594
<b>Total</b>	<b>2 847 877</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>(5 000)</b>	<b>2 842 877</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	26 225	-	-	5 882	-	-	5 882	32 107
Management	248 791	-	-	10 446	(1 500)	-	8 946	257 737
Corporate Services	249 537	-	-	(296)	(2 000)	-	(2 296)	247 241
Office of the Chief Financial Officer	131 660	-	-	(2 346)	-	-	(2 346)	129 314
Office Accommodation	196 708	-	-	(6 493)	-	-	(6 493)	190 215
<b>Total</b>	<b>852 921</b>	<b>-</b>	<b>-</b>	<b>7 193</b>	<b>(3 500)</b>	<b>-</b>	<b>3 693</b>	<b>856 614</b>

**Programme 1: Administration (continued)**

Economic classification		2016/17						
		Adjustments appropriation					Total	Adjusted
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
<b>Current payments</b>	<b>783 929</b>	–	–	<b>3 783</b>	<b>(3 500)</b>	–	<b>283</b>	<b>784 212</b>
Compensation of employees	378 796	–	–	(24 682)	(3 500)	–	(28 182)	350 614
Goods and services	405 133	–	–	28 465	–	–	28 465	433 598
<b>Transfers and subsidies</b>	<b>689</b>	–	–	<b>1 000</b>	–	–	<b>1 000</b>	<b>1 689</b>
Provinces and municipalities	470	–	–	230	–	–	230	700
Households	219	–	–	770	–	–	770	989
<b>Payments for capital assets</b>	<b>68 303</b>	–	–	<b>2 410</b>	–	–	<b>2 410</b>	<b>70 713</b>
Buildings and other fixed structures	28 000	–	–	–	–	–	–	28 000
Machinery and equipment	40 303	–	–	2 410	–	–	2 410	42 713
<b>Total</b>	<b>852 921</b>	–	–	<b>7 193</b>	<b>(3 500)</b>	–	<b>3 693</b>	<b>856 614</b>

**Programme 2: Inspection and Enforcement Services**

Subprogramme		2016/17						
		Adjustments appropriation					Total	Adjusted
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
Management and Support Services: Inspection and Enforcement Services	4 972	–	–	972	–	–	972	5 944
Occupational Health and Safety	29 944	–	–	(972)	–	–	(972)	28 972
Registration: Inspection and Enforcement Services	68 065	–	–	(6 426)	–	–	(6 426)	61 639
Compliance, Monitoring and Enforcement Services	401 574	–	–	(2 316)	(1 500)	–	(3 816)	397 758
Training of Staff: Inspection and Enforcement Services	5 341	–	–	89	–	–	89	5 430
Statutory and Advocacy Services	9 598	–	–	–	–	–	–	9 598
<b>Total</b>	<b>519 494</b>	–	–	<b>(8 653)</b>	<b>(1 500)</b>	–	<b>(10 153)</b>	<b>509 341</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>519 429</b>	–	–	<b>(41 368)</b>	<b>(1 500)</b>	–	<b>(42 868)</b>	<b>476 561</b>
Compensation of employees	416 655	–	–	(687)	(1 500)	–	(2 187)	414 468
Goods and services	102 774	–	–	(40 681)	–	–	(40 681)	62 093
<b>Transfers and subsidies</b>	<b>65</b>	–	–	<b>687</b>	–	–	<b>687</b>	<b>752</b>
Households	65	–	–	687	–	–	687	752
<b>Payments for capital assets</b>	<b>–</b>	–	–	<b>32 028</b>	–	–	<b>32 028</b>	<b>32 028</b>
Machinery and equipment	–	–	–	32 028	–	–	32 028	32 028
<b>Total</b>	<b>519 494</b>	–	–	<b>(8 653)</b>	<b>(1 500)</b>	–	<b>(10 153)</b>	<b>509 341</b>

**Programme 3: Public Employment Services**

Subprogramme		2016/17						
		Adjustments appropriation					Total	Adjusted
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
Management and Support Services: Public Employment Services	40 697	–	–	–	–	–	–	40 697
Employer Services	124 389	–	–	(1 373)	–	–	(1 373)	123 016
Work Seeker Services	120 496	–	–	(1 693)	–	–	(1 693)	118 803
Designated Groups Special Services	12 117	–	–	–	–	–	–	12 117
Supported Employment Enterprises	144 468	–	–	–	–	–	–	144 468
Productivity South Africa	47 944	–	–	–	–	–	–	47 944
Unemployment Insurance Fund	1	–	–	–	–	–	–	1
Compensation Fund	19 031	–	–	–	–	–	–	19 031
Training of Staff: Public Employment Services	1 126	–	–	–	–	–	–	1 126
<b>Total</b>	<b>510 269</b>	–	–	<b>(3 066)</b>	–	–	<b>(3 066)</b>	<b>507 203</b>

**Programme 3: Public Employment Services (continued)**

Economic classification	2016/17							
	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>286 616</b>	-	-	1 834	-	-	1 834	288 450
Compensation of employees	252 442	-	-	3 900	-	-	3 900	256 342
Goods and services	34 174	-	-	(2 066)	-	-	(2 066)	32 108
<b>Transfers and subsidies</b>	<b>223 603</b>	-	-	(4 900)	-	-	(4 900)	218 703
Departmental agencies and accounts	66 976	-	-	-	-	-	-	66 976
Non-profit institutions	156 585	-	-	(5 900)	-	-	(5 900)	150 685
Households	42	-	-	1 000	-	-	1 000	1 042
<b>Payments for capital assets</b>	<b>50</b>	-	-	-	-	-	-	50
Machinery and equipment	50	-	-	-	-	-	-	50
<b>Total</b>	<b>510 269</b>	-	-	(3 066)	-	-	(3 066)	507 203

**Programme 4: Labour Policy and Industrial Relations**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Management and Support Services: Labour Policy and Industrial Relations	18 749	-	-	(3 283)	-	-	(3 283)	15 466
Strengthen Civil Society	18 879	-	-	-	-	-	-	18 879
Collective Bargaining	14 291	-	-	73	-	-	73	14 364
Employment Equity	16 402	-	-	(1 499)	-	-	(1 499)	14 903
Employment Standards	12 238	-	-	1 495	-	-	1 495	13 733
Commission for Conciliation, Mediation and Arbitration	770 501	-	-	-	-	-	-	770 501
Research, Policy and Planning	9 354	-	-	374	-	-	374	9 728
Labour Market Information and Statistics	37 241	-	-	1 305	-	-	1 305	38 546
International Labour Matters	36 530	-	-	6 252	-	-	6 252	42 782
National Economic Development and Labour Council	31 008	-	-	(191)	-	-	(191)	30 817
<b>Total</b>	<b>965 193</b>	-	-	4 526	-	-	4 526	969 719
<b>Economic classification</b>								
<b>Current payments</b>	<b>124 856</b>	-	-	1 801	-	-	1 801	126 657
Compensation of employees	84 346	-	-	2 200	-	-	2 200	86 546
Goods and services	40 510	-	-	(399)	-	-	(399)	40 111
<b>Transfers and subsidies</b>	<b>840 264</b>	-	-	1 995	-	-	1 995	842 259
Provinces and municipalities	1	-	-	-	-	-	-	1
Departmental agencies and accounts	800 818	-	-	500	-	-	500	801 318
Foreign governments and international organisations	20 566	-	-	1 391	-	-	1 391	21 957
Non-profit institutions	18 879	-	-	80	-	-	80	18 959
Households	-	-	-	24	-	-	24	24
<b>Payments for capital assets</b>	<b>73</b>	-	-	730	-	-	730	803
Machinery and equipment	73	-	-	730	-	-	730	803
<b>Total</b>	<b>965 193</b>	-	-	4 526	-	-	4 526	969 719

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

#### Programmes

1. Administration
2. Inspection and Enforcement Services
3. Public Employment Services
4. Labour Policy and Industrial Relations

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(29 084)</b>	<b>Programme 1</b>		<b>1 200</b>
Goods and services	Cost containment measures effected on contractors	(700)	Machinery and equipment	Office equipment for the department's head office and provincial offices	700
	Cost containment measures effected on contractors	(500)	Machinery and equipment	Office equipment for the department's head office	500
	Reallocation of unspent funds for office accommodation	(600)	<b>Programme 4</b>		<b>3 202</b>
	Reallocation of unspent funds for office accommodation	(711)	Machinery and equipment	Replacement of office furniture for the Department's Labour Attaché in Geneva	600
	Reallocation of unspent funds for office accommodation <sup>1</sup>	(500)	Goods and services	Legal fees	711
	Reallocation of unspent funds for office accommodation <sup>1</sup>	(1 391)		Resettlement costs for the newly appointed Department's Labour Attaché	
			Departmental agencies and accounts	Newly established national minimum wage advisory panel at the National Economic and Development Council <sup>1</sup>	500
			Foreign governments and international organisations	Increased membership fee to the International Labour Organisation and the African Regional Labour Administration Centre, for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed <sup>1</sup>	1 391
			<b>Programme 1</b>		<b>22 482</b>
Compensation of employees	Vacant posts <sup>2</sup>	(210)	Machinery and equipment	Office equipment for the provincial offices	210
	Vacant posts <sup>2</sup>	(1 000)	Machinery and equipment	Office equipment for the minister's office	1 000
	Vacant posts <sup>2</sup>	(11 172)	Goods and services	Operational costs at provincial offices	11 172
	Vacant posts <sup>2</sup>	(9 100)		Ministerial and senior management travel to the International Labour Organisation and G20 meetings	9 100
	Vacant posts <sup>2</sup>	(770)	Households	Leave gratuities	770
	Vacant posts <sup>2</sup>	(230)	Provinces and municipalities	Vehicle licence fees for the department's fleet	230
	Vacant posts	(2 200)	<b>Programme 4</b>		<b>2 200</b>
			Compensation of employees	Realignment following the abolition of posts	2 200
Shifts within the programme as a percentage of the programme budget		2.8%			
Virements to other programmes as a percentage of the programme budget		0.6%			
<b>Programme 2</b>		<b>(41 368)</b>	<b>Programme 1</b>		<b>8 653</b>
Goods and services	Centralisation of payments for Telkom; municipal, security, gardening and cleaning services	(8 653)	Goods and services	Payments to Telkom; municipal, security, gardening and cleaning services	8 653
	Reclassification of funds incorrectly classified in the 2016 ENE	(32 028)	<b>Programme 2</b>		<b>32 715</b>
			Machinery and equipment	Finance lease for cell phones and data contracts	32 028
Compensation of employees	Vacant posts <sup>2</sup>	(687)	Households	Leave gratuities	687
Shifts within the programme as a percentage of the programme budget		6.3%			
Virements to other programmes as a percentage of the programme budget		1.7%			

2016 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>		
Goods and services	Centralisation of payments for Telkom and municipal, security, gardening and cleaning services	(9 966)	Goods and services	Payments to Telkom and municipal, security, gardening and cleaning services	3 066
Compensation of employees	Vacant posts <sup>2</sup>	(1 000)	<b>Programme 3</b>		
Non-profit institutions	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(1 000)	Households	Leave gratuities	1 000
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>2</sup>	(4 900)	Goods and services	Operational expenditure	1 000
			Compensation of employees	Reclassification of funds incorrectly classified in the 2016 ENE <sup>2</sup>	4 900
Shifts within the programme as a percentage of the programme budget		1.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.6%</b>			
<b>Programme 4</b>			<b>Programme 1</b>		
Goods and services	Centralisation of payments for Telkom and municipal, security, gardening and cleaning services	(1 110)	Goods and services	Payments to Telkom; municipal, security, gardening and cleaning services	876
	Cost containment measures implemented on travel and subsistence	(128)	<b>Programme 4</b>		
	Reclassification of funds incorrectly classified in the 2016 ENE	(2)	Machinery and equipment	Office furniture, television for the library and recorders for field work	234
	Cost containment measures implemented on travel and subsistence	(24)		Finance lease for cell phone and data contracts	2
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(80)	Households	Leave gratuities	24
			Non-profit institutions	National Day Against Child Labour <sup>1</sup>	80
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Total</b>		<b>(81 528)</b>	<b>81 528</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

### Declared unspent funds – R5 million

R5 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

Programme 1: Administration

R3.500 million

Programme 2: Inspection and Enforcement Services

R1.500 million

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
R thousand									
Administration	815 111	318 234	39.0	745 637	91.5	856 614	30.1	341 473	39.9
Inspection and Enforcement Services	471 830	231 822	49.1	472 894	100.2	509 341	17.9	227 089	44.6
Public Employment Services	497 297	226 477	45.5	485 099	97.5	507 203	17.8	226 172	44.6
Labour Policy and Industrial Relations	919 996	441 610	48.0	908 365	98.7	969 719	34.1	611 359	63.0
<b>Total</b>	<b>2 704 234</b>	<b>1 218 143</b>	<b>45.0</b>	<b>2 611 995</b>	<b>96.6</b>	<b>2 842 877</b>	<b>100.0</b>	<b>1 406 093</b>	<b>49.5</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 642 777</b>	<b>750 362</b>	<b>45.7</b>	<b>1 533 016</b>	<b>93.3</b>	<b>1 675 880</b>	<b>59.0</b>	<b>714 828</b>	<b>42.7</b>
Compensation of employees	1 052 893	533 469	50.7	1 025 615	97.4	1 107 970	39.0	502 286	45.3
Goods and services	589 884	216 893	36.8	507 401	86.0	567 910	20.0	212 542	37.4
<b>Transfers and subsidies</b>	<b>1 009 217</b>	<b>466 719</b>	<b>46.2</b>	<b>1 010 418</b>	<b>100.1</b>	<b>1 063 403</b>	<b>37.4</b>	<b>665 388</b>	<b>62.6</b>
Provinces and municipalities	502	223	44.4	550	109.6	701	-	320	45.6
Departmental agencies and accounts	824 195	412 606	50.1	820 912	99.6	868 294	30.5	582 108	67.0
Foreign governments and international organisations	19 300	-	-	20 912	108.4	21 957	0.8	1	-
Non-profit institutions	164 487	52 342	31.8	164 045	99.7	169 644	6.0	80 430	47.4
Households	733	1 548	211.2	3 999	545.6	2 807	0.1	2 529	90.1
<b>Payments for capital assets</b>	<b>52 240</b>	<b>954</b>	<b>1.8</b>	<b>68 101</b>	<b>130.4</b>	<b>103 594</b>	<b>3.6</b>	<b>25 876</b>	<b>25.0</b>
Buildings and other fixed structures	2 000	190	9.5	511	25.6	28 000	1.0	774	2.8
Machinery and equipment	50 240	764	1.5	67 590	134.5	75 594	2.7	25 102	33.2
<b>Payments for financial assets</b>	<b>-</b>	<b>108</b>	<b>-</b>	<b>460</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>
<b>Total</b>	<b>2 704 234</b>	<b>1 218 143</b>	<b>45.0</b>	<b>2 611 995</b>	<b>96.6</b>	<b>2 842 877</b>	<b>100.0</b>	<b>1 406 093</b>	<b>49.5</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 96.6 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R1.4 billion, or 49.5 per cent of the adjusted appropriation of R2.8 billion for the year. This is due to higher spending on transfers to departmental agencies and accounts and households as a result of revisions to the drawdown agreement with the Commission for Conciliation, Mediation and Arbitration, as well as the payment of leave gratuities to officials due to resignations and death. Spending on buildings and other fixed structures has been slow due to delayed invoicing by the Department of Public Works and the transfer to foreign governments in respect of membership fees to the International Labour Organisation and the African Regional Labour Advisory Centre is only due in the third quarter of 2016/17. In comparison, mid-year expenditure in 2015/16 was R1.2 billion, or 45 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R188 million, or 15.4 per cent.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>12 813</b>	<b>5 081</b>	<b>39.7</b>	<b>10 056</b>	<b>78.5</b>	<b>12 323</b>	<b>12 866</b>	<b>100.0</b>	<b>6 433</b>	<b>50.0</b>
Sales of goods and services produced by department	4 493	1 980	44.1	4 129	91.9	4 492	4 808	37.4	2 404	50.0
Sales of scrap, waste, arms and other used current goods	18	7	38.9	12	66.7	21	44	0.3	22	50.0
Fines, penalties and forfeits	1 506	501	33.3	1 009	67.0	1 010	1 040	8.1	520	50.0
Interest, dividends and rent on land	1 380	635	46.0	1 303	94.4	1 420	1 252	9.7	626	50.0
Sales of capital assets	300	105	35.0	105	35.0	400	32	0.2	16	50.0
Transactions in financial assets and liabilities	5 116	1 853	36.2	3 498	68.4	4 980	5 690	44.2	2 845	50.0
<b>Total</b>	<b>12 813</b>	<b>5 081</b>	<b>39.7</b>	<b>10 056</b>	<b>78.5</b>	<b>12 323</b>	<b>12 866</b>	<b>100.0</b>	<b>6 433</b>	<b>50.0</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R6.4 million, or 50 per cent of the adjusted revenue estimate of R12.9 million for the year. The department is on track with collecting revenue in line with the main Budget, excepting for sales of capital assets which is slow due to the sale of scrapped, damaged and written off vehicles only being planned for later in the financial year. In comparison, mid-year revenue in 2015/16 was R5.1 million, or 39.7 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R1.4 million, or 26.6 per cent.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	<b>470</b>	-	-	<b>230</b>	-	-	<b>230</b>	<b>700</b>
Vehicle licences	470	-	-	230	-	-	230	700
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>219</b>	-	-	<b>770</b>	-	-	<b>770</b>	<b>989</b>
Employee social benefits	219	-	-	770	-	-	770	989
<b>Inspection and Enforcement</b>								
<b>Services</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>65</b>	-	-	<b>687</b>	-	-	<b>687</b>	<b>752</b>
Employee social benefits	65	-	-	687	-	-	687	752
<b>Public Employment Services</b>								
<b>Non-profit institutions</b>								
<b>Current</b>	<b>144 468</b>	-	-	<b>(5 900)</b>	-	-	<b>(5 900)</b>	<b>138 568</b>
Work-centres for the disabled	144 468	-	-	(5 900)	-	-	(5 900)	138 568
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>42</b>	-	-	<b>1 000</b>	-	-	<b>1 000</b>	<b>1 042</b>
Employee social benefits	42	-	-	1 000	-	-	1 000	1 042

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

R thousand	2016/17							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Adjustments appropriation							
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Labour Policy and Industrial Relations</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>30 317</b>	-	-	<b>500</b>	-	-	<b>500</b>	<b>30 817</b>	
National Economic Development and Labour Council	30 317	-	-	500	-	-	500	30 817	
<b>Foreign governments and international organisations</b>									
<b>Current</b>	<b>20 566</b>	-	-	<b>1 391</b>	-	-	<b>1 391</b>	<b>21 957</b>	
International Labour Organisation	19 645	-	-	1 216	-	-	1 216	20 861	
African Regional Labour Administration Centre	921	-	-	175	-	-	175	1 096	
<b>Non-profit institutions</b>									
<b>Current</b>	-	-	-	<b>80</b>	-	-	<b>80</b>	<b>80</b>	
Gifts and donations	-	-	-	80	-	-	80	80	
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>24</b>	-	-	<b>24</b>	<b>24</b>	
Employee social benefits	-	-	-	24	-	-	24	24	



# Vote 29

## Mineral Resources

### Adjusted budget summary

2016/17				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>1 669 077</b>	<b>1 669 077</b>	<b>-</b>	<b>-</b>
Current payments	831 365	863 874	-	32 509
Transfers and subsidies	824 090	791 581	(32 509)	-
Payments for capital assets	13 622	13 622	-	-
Executive authority	Minister of Mineral Resources			
Accounting officer	Director-General of Mineral Resources			
Website address	www.dmr.gov.za			

### Vote purpose

*Promote and regulate the minerals and mining sector for transformation, growth and development. Ensure that all South Africans derive sustainable benefits from the country's mineral wealth.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of occupational health and safety inspections and mine audits conducted per year	Mine Health and Safety	Outcome 4: Decent employment through inclusive economic growth	8 396	5 053	-
Number of mining rights and permits granted and /or issued to historically disadvantaged South Africans per year	Mineral Regulation		150	59	-
Number of industry workshops on compliance issues conducted per year	Mineral Regulation		9	6	-
Number of social and labour plan verification inspections per year	Mineral Regulation		212	117	-
Number of environmental verification inspections per year	Mineral Regulation		1 275	564	-
Number of mine economics verification audits per year	Mineral Regulation		425	246	-
Number of publications per year	Mineral Policy and Promotion		17	3	-
Number of legislative instruments reviewed and amended per year	Mineral Policy and Promotion		5	0	-
Number of derelict and ownerless mines rehabilitated per year	Mineral Policy and Promotion	Outcome 10: Protect and enhance our environmental assets and natural resources	45	17	-
Number of SMMEs supported (new and established) per year	Mineral Policy and Promotion	Outcome 7: Comprehensive rural development and land reform	80	45	-
Number of consultations, promotional and monitoring activities on shale gas exploration conducted per year	Mineral Policy and Promotion	Outcome 4: Decent employment through inclusive economic growth	5	2	-
Number of investment promotion events/forums/workshops per year	Mineral Policy and Promotion		55	40	-
Number of strategic partnerships per year	Mineral Policy and Promotion		8	5	-

### Mid-year progress

The number of occupational health and safety inspections and mine audits conducted within the first six months of the year was 5 053 against the annual target of 8 396, or 60 per cent of the inspections and audits

planned for the year. In addition, the department conducted 564 mining charter inspections and environmental management inspections, which constitutes 44 per cent of the annual target. Relatively slower progress has been achieved in the number of derelict and ownerless mines rehabilitated in the first half of the year, with only 17 out of the annual target of 45 having been rehabilitated.

There has been slow progress on the targeted number of legislative instruments reviewed and amended per year due to the amendments to the Mineral and Petroleum Resources Development Act, 2002 and the African Exploration Mining and Finance Corporation Bill, 2015 which are both still before Parliament.

The department conducted 6 industry workshops on compliance issues against an annual target of 9, and further conducted 117 social and labour verifications against an annual target of 212 in the period under review. 45 social labour plans aimed at creating SMMEs in the mining sector and developing the surrounding communities were supported against an annual target of 80.

## Adjusted Estimates of the National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	310 868	–	–	34 946	–	–	34 946	345 814
Mine Health and Safety	184 934	–	–	4 939	–	–	4 939	189 873
Mineral Regulation	270 786	–	–	(5 659)	–	–	(5 659)	265 127
Mineral Policy and Promotion	902 489	–	–	(34 226)	–	–	(34 226)	868 263
<b>Total</b>	<b>1 669 077</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 669 077</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>831 365</b>	<b>–</b>	<b>–</b>	<b>32 509</b>	<b>–</b>	<b>–</b>	<b>32 509</b>	<b>863 874</b>
Compensation of employees	572 130	–	–	(7 762)	–	–	(7 762)	564 368
Goods and services	259 235	–	–	40 271	–	–	40 271	299 506
<b>Transfers and subsidies</b>	<b>824 090</b>	<b>–</b>	<b>–</b>	<b>(32 509)</b>	<b>–</b>	<b>–</b>	<b>(32 509)</b>	<b>791 581</b>
Departmental agencies and accounts	433 519	–	–	–	–	–	–	433 519
Public corporations and private enterprises	389 125	–	–	(32 509)	–	–	(32 509)	356 616
Households	1 446	–	–	–	–	–	–	1 446
<b>Payments for capital assets</b>	<b>13 622</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>13 622</b>
Buildings and other fixed structures	3 852	–	–	–	–	–	–	3 852
Machinery and equipment	9 770	–	–	–	–	–	–	9 770
<b>Total</b>	<b>1 669 077</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 669 077</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	23 407	–	–	–	–	–	–	23 407
Corporate Services	123 745	–	–	28 577	–	–	28 577	152 322
Department Management	20 169	–	–	(1 420)	–	–	(1 420)	18 749
Financial Administration	97 743	–	–	8 175	–	–	8 175	105 918
Internal Audit	14 487	–	–	(386)	–	–	(386)	14 101
Office Accommodation	31 317	–	–	–	–	–	–	31 317
<b>Total</b>	<b>310 868</b>	<b>–</b>	<b>–</b>	<b>34 946</b>	<b>–</b>	<b>–</b>	<b>34 946</b>	<b>345 814</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>296 749</b>	<b>–</b>	<b>–</b>	<b>34 946</b>	<b>–</b>	<b>–</b>	<b>34 946</b>	<b>331 695</b>
Compensation of employees	171 702	–	–	(5 325)	–	–	(5 325)	166 377
Goods and services	125 047	–	–	40 271	–	–	40 271	165 318
<b>Transfers and subsidies</b>	<b>3 162</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 162</b>
Departmental agencies and accounts	1 716	–	–	–	–	–	–	1 716
Households	1 446	–	–	–	–	–	–	1 446
<b>Payments for capital assets</b>	<b>10 957</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>10 957</b>
Buildings and other fixed structures	3 852	–	–	–	–	–	–	3 852
Machinery and equipment	7 105	–	–	–	–	–	–	7 105
<b>Total</b>	<b>310 868</b>	<b>–</b>	<b>–</b>	<b>34 946</b>	<b>–</b>	<b>–</b>	<b>34 946</b>	<b>345 814</b>

**Programme 2: Mine Health and Safety**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Governance Policy and Oversight	52 641	-	-	(1 460)	-	-	(1 460)	51 181
Mine Health and Safety Regions	132 293	-	-	6 399	-	-	6 399	138 692
<b>Total</b>	<b>184 934</b>	<b>-</b>	<b>-</b>	<b>4 939</b>	<b>-</b>	<b>-</b>	<b>4 939</b>	<b>189 873</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>183 804</b>	<b>-</b>	<b>-</b>	<b>4 939</b>	<b>-</b>	<b>-</b>	<b>4 939</b>	<b>188 743</b>
Compensation of employees	153 995	-	-	4 939	-	-	4 939	158 934
Goods and services	29 809	-	-	-	-	-	-	29 809
<b>Payments for capital assets</b>	<b>1 130</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 130</b>
Machinery and equipment	1 130	-	-	-	-	-	-	1 130
<b>Total</b>	<b>184 934</b>	<b>-</b>	<b>-</b>	<b>4 939</b>	<b>-</b>	<b>-</b>	<b>4 939</b>	<b>189 873</b>

**Programme 3: Mineral Regulation**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Mineral Regulation and Administration	190 369	-	-	(5 119)	-	-	(5 119)	185 250
Management Mineral Regulation	27 212	-	-	(540)	-	-	(540)	26 672
South African Diamond and Precious Metals Regulator	53 205	-	-	-	-	-	-	53 205
<b>Total</b>	<b>270 786</b>	<b>-</b>	<b>-</b>	<b>(5 659)</b>	<b>-</b>	<b>-</b>	<b>(5 659)</b>	<b>265 127</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>216 983</b>	<b>-</b>	<b>-</b>	<b>(5 659)</b>	<b>-</b>	<b>-</b>	<b>(5 659)</b>	<b>211 324</b>
Compensation of employees	178 390	-	-	(5 659)	-	-	(5 659)	172 731
Goods and services	38 593	-	-	-	-	-	-	38 593
<b>Transfers and subsidies</b>	<b>53 205</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53 205</b>
Departmental agencies and accounts	53 205	-	-	-	-	-	-	53 205
<b>Payments for capital assets</b>	<b>598</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>598</b>
Machinery and equipment	598	-	-	-	-	-	-	598
<b>Total</b>	<b>270 786</b>	<b>-</b>	<b>-</b>	<b>(5 659)</b>	<b>-</b>	<b>-</b>	<b>(5 659)</b>	<b>265 127</b>

**Programme 4: Mineral Policy and Promotion**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management	27 000	-	-	-	-	-	-	27 000
Mineral Policy	18 507	-	-	(368)	-	-	(368)	18 139
Mineral Promotion and International Coordination	76 450	-	-	(28 583)	-	-	(28 583)	47 867
Assistance to Mines	5 275	-	-	(5 275)	-	-	(5 275)	-
Council for Geoscience	378 598	-	-	-	-	-	-	378 598
Council for Mineral Technology	356 416	-	-	-	-	-	-	356 416
Economic Advisory Services	4 862	-	-	-	-	-	-	4 862
Mine Environmental Management	35 381	-	-	-	-	-	-	35 381
<b>Total</b>	<b>902 489</b>	<b>-</b>	<b>-</b>	<b>(34 226)</b>	<b>-</b>	<b>-</b>	<b>(34 226)</b>	<b>868 263</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>133 829</b>	<b>-</b>	<b>-</b>	<b>(1 717)</b>	<b>-</b>	<b>-</b>	<b>(1 717)</b>	<b>132 112</b>
Compensation of employees	68 043	-	-	(1 717)	-	-	(1 717)	66 326
Goods and services	65 786	-	-	-	-	-	-	65 786
<b>Transfers and subsidies</b>	<b>767 723</b>	<b>-</b>	<b>-</b>	<b>(32 509)</b>	<b>-</b>	<b>-</b>	<b>(32 509)</b>	<b>735 214</b>
Departmental agencies and accounts	378 598	-	-	-	-	-	-	378 598
Public corporations and private enterprises	389 125	-	-	(32 509)	-	-	(32 509)	356 616
<b>Payments for capital assets</b>	<b>937</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>937</b>
Machinery and equipment	937	-	-	-	-	-	-	937
<b>Total</b>	<b>902 489</b>	<b>-</b>	<b>-</b>	<b>(34 226)</b>	<b>-</b>	<b>-</b>	<b>(34 226)</b>	<b>868 263</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

Programmes					
1. Administration					
2. Mine Health and Safety					
3. Mineral Regulation					
4. Mineral Policy and Promotion					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(5 325)</b>	<b>Programme 1</b>		<b>5 325</b>
Compensation of employees	Vacant posts <sup>1</sup>	(5 325)	Goods and services	Operating leases for office accommodation	5 325
Shifts within the programme as a percentage of the programme budget		1.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 3</b>		<b>(5 659)</b>	<b>Programme 1</b>		<b>720</b>
Compensation of employees	Vacant posts <sup>1</sup>	(720)	Goods and services	Operating leases for office accommodation	720
	Vacant posts	(4 939)	<b>Programme 2</b>		<b>4 939</b>
Compensation of employees			Compensation of employees	Increases in personnel remuneration	4 939
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		2.1%			
<b>Programme 4</b>		<b>(51 808)</b>	<b>Programme 1</b>		<b>34 226</b>
Compensation of employees	Vacant posts <sup>1</sup>	(1 717)	Goods and services	Operating leases for office accommodation	1 717
Public corporations and private enterprises	Reallocation from transfers and subsidies for the Industrial Development Corporation as there were fewer requests for assistance to small scale and marginal mines than anticipated <sup>1</sup>	(32 509)	Goods and services	Operating leases for office accommodation	32 509
	Reallocation of funds from capital to current transfers for Mintek due to delays in capital projects <sup>1</sup>	(17 582)	<b>Programme 4</b>		<b>17 582</b>
			Public corporations and private enterprises	Mintek operational budget <sup>1</sup>	17 582
Shifts within the programme as a percentage of the programme budget		1.9%			
Virements to other programmes as a percentage of the programme budget		3.8%			
<b>Total</b>		<b>(62 792)</b>			<b>62 792</b>

1. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

### Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	adjusted % of	Apr 15 - Mar 16	adjusted % of	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	adjusted % of		
R thousand										
Administration	308 870	191 633	62.0	359 067	116.3	345 814	20.7	176 623	51.1	
Mine Health and Safety	184 431	89 270	48.4	171 506	93.0	189 873	11.4	93 173	49.1	
Mineral Regulation	263 715	127 306	48.3	246 236	93.4	265 127	15.9	127 648	48.1	
Mineral Policy and Promotion	881 526	516 607	58.6	861 672	97.7	868 263	52.0	520 340	59.9	
<b>Total</b>	<b>1 638 542</b>	<b>924 816</b>	<b>56.4</b>	<b>1 638 481</b>	<b>100.0</b>	<b>1 669 077</b>	<b>100.0</b>	<b>917 784</b>	<b>55.0</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>800 101</b>	<b>423 576</b>	<b>52.9</b>	<b>805 241</b>	<b>100.6</b>	<b>863 874</b>	<b>51.8</b>	<b>418 164</b>	<b>48.4</b>	
Compensation of employees	548 440	267 888	48.8	526 265	96.0	564 368	33.8	278 740	49.4	
Goods and services	251 661	155 688	61.9	278 976	110.9	299 506	17.9	139 424	46.6	

Economic classification	2015/16					2016/17			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
<b>Transfers and subsidies</b>	<b>826 919</b>	<b>492 976</b>	<b>59.6</b>	<b>819 706</b>	<b>99.1</b>	<b>791 581</b>	<b>47.4</b>	<b>497 756</b>	<b>62.9</b>
Departmental agencies and accounts	394 751	262 627	66.5	393 441	99.7	433 519	26.0	308 506	71.2
Public corporations and private enterprises	430 795	228 717	53.1	423 735	98.4	356 616	21.4	188 794	52.9
Households	1 373	1 632	118.9	2 530	184.3	1 446	0.1	456	31.5
<b>Payments for capital assets</b>	<b>11 522</b>	<b>5 358</b>	<b>46.5</b>	<b>10 626</b>	<b>92.2</b>	<b>13 622</b>	<b>0.8</b>	<b>1 856</b>	<b>13.6</b>
Buildings and other fixed structures	2 503	1 022	40.8	1 140	45.5	3 852	0.2	55	1.4
Machinery and equipment	8 889	4 336	48.8	9 349	105.2	9 770	0.6	1 801	18.4
Software and other intangible assets	130	-	-	137	105.4	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>2 906</b>	<b>-</b>	<b>2 908</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>-</b>
<b>Total</b>	<b>1 638 542</b>	<b>924 816</b>	<b>56.4</b>	<b>1 638 481</b>	<b>100.0</b>	<b>1 669 077</b>	<b>100.0</b>	<b>917 784</b>	<b>55.0</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 100 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R917.8 million or 55 per cent of the adjusted appropriation of R1.7 billion for the year. In comparison, mid-year expenditure in 2015/16 was R924.8 million, or 56.4 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R7 million or 0.8 per cent. This was mainly due to delays in the filling of vacant posts.

### Departmental receipts

	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
Apr 15 - Sep 15		Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	
<b>Departmental receipts</b>	<b>34 402</b>	<b>16 036</b>	<b>46.6</b>	<b>29 763</b>	<b>86.5</b>	<b>27 578</b>	<b>30 157</b>	<b>100.0</b>	<b>18 859</b>	<b>62.5</b>
Sales of goods and services produced by department	6 277	3 284	52.3	6 486	103.3	6 883	9 288	30.8	5 026	54.1
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	-	1	-	1	100.0
Fines, penalties and forfeits	2 244	1 119	49.9	847	37.7	2 500	424	1.4	232	54.7
Interest, dividends and rent on land	25 672	11 545	45.0	22 268	86.7	17 985	18 014	59.7	11 292	62.7
Transactions in financial assets and liabilities	209	88	42.1	162	77.5	210	2 430	8.1	2 308	95.0
<b>Total</b>	<b>34 402</b>	<b>16 036</b>	<b>46.6</b>	<b>29 763</b>	<b>86.5</b>	<b>27 578</b>	<b>30 157</b>	<b>100.0</b>	<b>18 859</b>	<b>62.5</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R18.9 million, or 62.5 per cent of the adjusted revenue estimate of R30.2 million for the year. In comparison, mid-year revenue in 2015/16 was R16 million, or 46.6 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R2.8 million, or 17.6 per cent. This was mainly due to environmental penalties imposed on mining companies for the implementation of the National Environmental Management Act, 1998 as amended.

## Changes to transfers and subsidies

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

R thousand	2016/2017							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Mineral Policy and Promotion</b>								
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Subsidies on production or products</b>								
<b>Current</b>	<b>325 004</b>	-	-	<b>(9 652)</b>	-	-	<b>(9 652)</b>	<b>315 352</b>
Industrial Development Corporation of South Africa	27 434	-	-	(27 234)	-	-	(27 234)	200
Council for Mineral Technology	297 570	-	-	17 582	-	-	17 582	315 152
<b>Capital</b>	<b>58 846</b>	-	-	<b>(17 582)</b>	-	-	<b>(17 582)</b>	<b>41 264</b>
Council for Mineral Technology	58 846	-	-	(17 582)	-	-	(17 582)	41 264
<b>Public corporations and private enterprises</b>								
<b>Private enterprises</b>								
<b>Subsidies on production or products</b>								
<b>Current</b>	<b>5 275</b>	-	-	<b>(5 275)</b>	-	-	<b>(5 275)</b>	-
Marginal mines	5 275	-	-	(5 275)	-	-	(5 275)	-

# Vote 30

## Science and Technology

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>7 428 996</b>	<b>7 428 996</b>	<b>-</b>	<b>-</b>
<b>of which:</b>				
Current payments	509 703	532 334	-	22 631
Transfers and subsidies	6 916 984	6 872 197	(44 787)	-
Payments for capital assets	2 309	24 465	-	22 156
Executive authority	Minister of Science and Technology			
Accounting officer	Director-General of Science and Technology			
Website address	www.dst.gov.za			

### Vote purpose

*Realise the full potential of science and technology in social and economic development by developing human resources, research and innovation.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of instruments (space science, energy, bio innovation, nanotechnology, robotics, photonics, indigenous knowledge systems, intellectual property management, technology transfer and technology commercialisation) funded in support of knowledge utilisation per year	Technology Innovation	Outcome 4: Decent employment through inclusive economic growth	25	12	-
Number of knowledge application products funded in designated areas (prototypes, technology demonstrators) per year <sup>1</sup>	Technology Innovation		13	0	-
Amount of international funds per year directly invested in research and science, technology and innovation human capital development programmes, as well as research infrastructure investments in South Africa accounted for as part of cooperation initiatives implemented by the Department of Science and Technology	International Cooperation and Resources		R400m	-	-
Number of international partner organisations (legal entities) per year collaborating with South African partners within the framework of formalised collaborative research and innovation or science, technology and innovation human capital development projects as part of cooperation initiatives facilitated by the Department of Science and Technology	International Cooperation and Resources		450	95	-
Total number of PhD students awarded bursaries as reflected in National Research Foundation project reports	Research, Development and Support		Outcome 5: A skilled and capable workforce to support an inclusive growth path	3 136	2 892

2016 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Total number of pipeline postgraduate students (BTech and honours, and masters), awarded bursaries through programmes managed by the National Research Foundation and the Department of Science and Technology, as reflected in the foundation's and the department's project reports	Research, Development and Support	Outcome 5: A skilled and capable workforce to support an inclusive growth path	10 996	8 044	-
Total number of researchers awarded research grants through programmes managed by the National Research Foundation, as reflected in the foundation's project reports	Research, Development and Support		4 539	3 805	-
Number of knowledge and innovation products (patents, prototypes, technology demonstrators or technology transfer packages) added to the intellectual property portfolio through fully funded or co-funded research initiatives per year	Socio-Economic Innovation Partnerships	Outcome 4: Decent employment through inclusive economic growth	35	3	-

1. There are no targets set for the first two quarters.

### Mid-year progress

While the performance for some indicators for the first six months of 2016/17 has been slow and below target, the department expects to achieve all its targets by year-end.

Progress was slow on the amount of international funds per year directly invested in the research and science, technology and innovation human capital development programme, as well as research infrastructure investment in South Africa accounted for as part of cooperation initiatives implemented by the department. This was because all the criteria for finalising the partnership have not yet been met.

Progress was also slow for the number of international partner organisations per year collaborating with South African partners within the framework of formalised collaborative research and innovation or science, technology and innovation human capital development projects as part of cooperation initiatives facilitated by the department. This was because the official documentation confirming the participation of the international partner organisations in the international cooperation initiative is dependent on the protocols of the partner government responsible for the cooperation initiative and often results in delays in obtaining documentation.

The slow progress in the number of knowledge and innovation products (patents, prototypes, technology demonstrators or technology transfer packages) added to the intellectual property portfolio through fully funded or co-funded research initiatives per year is because the initiatives are still in the planning phase. The department is monitoring the progress of the innovation products through the quarterly reports, which will be finalised in the fourth quarter of 2016/17.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	303 988	-	-	41 154	-	-	41 154	345 142
Technology Innovation	1 007 073	-	-	(1 655)	-	-	(1 655)	1 005 418
International Cooperation and Resources	124 463	-	-	-	-	-	-	124 463
Research, Development and Support	4 200 596	-	-	(29 599)	-	-	(29 599)	4 170 997
Socio-Economic Innovation Partnerships	1 792 876	-	-	(9 900)	-	-	(9 900)	1 782 976
<b>Total</b>	<b>7 428 996</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 428 996</b>

Economic classification	2016/17							
	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>509 703</b>	–	–	<b>22 631</b>	–	–	<b>22 631</b>	<b>532 334</b>
Compensation of employees	309 156	–	–	4 637	–	–	4 637	313 793
Goods and services	200 547	–	–	17 994	–	–	17 994	218 541
<b>Transfers and subsidies</b>	<b>6 916 984</b>	–	–	<b>(44 787)</b>	–	–	<b>(44 787)</b>	<b>6 872 197</b>
Departmental agencies and accounts	5 344 684	–	–	(33 263)	–	–	(33 263)	5 311 421
Higher education institutions	115 153	–	–	469	–	–	469	115 622
Public corporations and private enterprises	1 307 369	–	–	(7 999)	–	–	(7 999)	1 299 370
Non-profit institutions	149 778	–	–	(3 994)	–	–	(3 994)	145 784
<b>Payments for capital assets</b>	<b>2 309</b>	–	–	<b>22 156</b>	–	–	<b>22 156</b>	<b>24 465</b>
Machinery and equipment	2 309	–	–	22 156	–	–	22 156	24 465
<b>Total</b>	<b>7 428 996</b>	–	–	–	–	–	–	<b>7 428 996</b>

**Programme 1: Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	4 369	–	–	–	–	–	–	4 369
Management	105 426	–	–	–	–	–	–	105 426
Corporate Services	180 325	–	–	41 154	–	–	41 154	221 479
Governance	9 307	–	–	–	–	–	–	9 307
Office Accommodation	4 561	–	–	–	–	–	–	4 561
<b>Total</b>	<b>303 988</b>	–	–	<b>41 154</b>	–	–	<b>41 154</b>	<b>345 142</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>288 819</b>	–	–	<b>18 998</b>	–	–	<b>18 998</b>	<b>307 817</b>
Compensation of employees	149 820	–	–	4 637	–	–	4 637	154 457
Goods and services	138 999	–	–	14 361	–	–	14 361	153 360
<b>Transfers and subsidies</b>	<b>12 860</b>	–	–	–	–	–	–	<b>12 860</b>
Non-profit institutions	12 860	–	–	–	–	–	–	12 860
<b>Payments for capital assets</b>	<b>2 309</b>	–	–	<b>22 156</b>	–	–	<b>22 156</b>	<b>24 465</b>
Machinery and equipment	2 309	–	–	22 156	–	–	22 156	24 465
<b>Total</b>	<b>303 988</b>	–	–	<b>41 154</b>	–	–	<b>41 154</b>	<b>345 142</b>

**Programme 2: Technology Innovation**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Space Science	166 916	–	–	–	–	–	–	166 916
Hydrogen and Energy	152 611	–	–	(385)	–	–	(385)	152 226
Bioeconomy	138 151	–	–	(84)	–	–	(84)	138 067
Innovation Priorities and Instruments	523 079	–	–	(1 655)	–	–	(1 655)	521 424
National Intellectual Property Management Office	26 316	–	–	469	–	–	469	26 785
<b>Total</b>	<b>1 007 073</b>	–	–	<b>(1 655)</b>	–	–	<b>(1 655)</b>	<b>1 005 418</b>
<b>Economic Classification</b>								
<b>Current payments</b>	<b>64 384</b>	–	–	–	–	–	–	<b>64 384</b>
Compensation of employees	43 543	–	–	–	–	–	–	43 543
Goods and services	20 841	–	–	–	–	–	–	20 841
<b>Transfers and subsidies</b>	<b>942 689</b>	–	–	<b>(1 655)</b>	–	–	<b>(1 655)</b>	<b>941 034</b>
Departmental agencies and accounts	642 329	–	–	1 870	–	–	1 870	644 199
Higher education institutions	115 153	–	–	469	–	–	469	115 622
Public corporations and private enterprises	96 045	–	–	–	–	–	–	96 045
Non-profit institutions	89 162	–	–	(3 994)	–	–	(3 994)	85 168
<b>Total</b>	<b>1 007 073</b>	–	–	<b>(1 655)</b>	–	–	<b>(1 655)</b>	<b>1 005 418</b>

**Programme 4: Research, Development and Support**

Subprogramme	2016/17							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Human Capital and Science	2 356 414	-	-	1 000	-	-	1 000	2 357 414	
Promotions									
Science Missions	164 335	-	-	51 188	-	-	51 188	215 523	
Basic Science and Infrastructure	988 306	-	-	(81 787)	-	-	(81 787)	906 519	
Astronomy	691 541	-	-	-	-	-	-	691 541	
<b>Total</b>	<b>4 200 596</b>	<b>-</b>	<b>-</b>	<b>(29 599)</b>	<b>-</b>	<b>-</b>	<b>(29 599)</b>	<b>4 170 997</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>46 728</b>	<b>-</b>	<b>-</b>	<b>604</b>	<b>-</b>	<b>-</b>	<b>604</b>	<b>47 332</b>	
Compensation of employees	31 805	-	-	-	-	-	-	31 805	
Goods and services	14 923	-	-	604	-	-	604	15 527	
<b>Transfers and subsidies</b>	<b>4 153 868</b>	<b>-</b>	<b>-</b>	<b>(30 203)</b>	<b>-</b>	<b>-</b>	<b>(30 203)</b>	<b>4 123 665</b>	
Departmental agencies and accounts	3 939 322	-	-	(30 203)	-	-	(30 203)	3 909 119	
Public corporations and private enterprises	214 546	-	-	-	-	-	-	214 546	
<b>Total</b>	<b>4 200 596</b>	<b>-</b>	<b>-</b>	<b>(29 599)</b>	<b>-</b>	<b>-</b>	<b>(29 599)</b>	<b>4 170 997</b>	

**Programme 5: Socio-Economic Innovation Partnerships**

Subprogramme	2016/17							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Sector Innovation and Green Economy	937 080	-	-	(4 418)	-	-	(4 418)	932 662	
Innovation for Inclusive Development	349 970	-	-	(457)	-	-	(457)	349 513	
Science and Technology Investment	29 548	-	-	(1 040)	-	-	(1 040)	28 508	
Technology Localisation, Beneficiation and Advanced Manufacturing	476 278	-	-	(3 985)	-	-	(3 985)	472 293	
<b>Total</b>	<b>1 792 876</b>	<b>-</b>	<b>-</b>	<b>(9 900)</b>	<b>-</b>	<b>-</b>	<b>(9 900)</b>	<b>1 782 976</b>	
<b>Economic Classification</b>									
<b>Current payments</b>	<b>46 663</b>	<b>-</b>	<b>-</b>	<b>3 029</b>	<b>-</b>	<b>-</b>	<b>3 029</b>	<b>49 692</b>	
Compensation of employees	37 838	-	-	-	-	-	-	37 838	
Goods and services	8 825	-	-	3 029	-	-	3 029	11 854	
<b>Transfers and subsidies</b>	<b>1 746 213</b>	<b>-</b>	<b>-</b>	<b>(12 929)</b>	<b>-</b>	<b>-</b>	<b>(12 929)</b>	<b>1 733 284</b>	
Departmental agencies and accounts	749 435	-	-	(4 930)	-	-	(4 930)	744 505	
Public corporations and private enterprises	996 778	-	-	(7 999)	-	-	(7 999)	988 779	
<b>Total</b>	<b>1 792 876</b>	<b>-</b>	<b>-</b>	<b>(9 900)</b>	<b>-</b>	<b>-</b>	<b>(9 900)</b>	<b>1 782 976</b>	

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes**

Programmes					
1. Administration					
2. Technology Innovation					
3. International Cooperation and Resources					
4. Research, Development and Support					
5. Socio-Economic Innovation Partnerships					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(3 994)</b>	<b>Programme 2</b>		<b>2 339</b>
Non-profit institutions	Reclassification of funds due to the Top Technology 100 Awards <sup>1</sup>	(1 870)	Departmental agencies and accounts	Establishment of the sovereign innovation fund <sup>1</sup>	1 870
	Cost containment measures effected through the scaling down of projects from the biofuel and biotechnology strategy <sup>1</sup>	(469)	Higher education institutions	Technology transfer offices <sup>1</sup>	469
	Performance bonuses <sup>2</sup>	(1 655)	<b>Programme 1</b>		<b>1 655</b>
			Compensation of employees	Performance bonuses <sup>2</sup>	1 655
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		0.2%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(82 391)</b>	<b>Programme 4</b>		<b>52 792</b>
Departmental agencies and accounts	Reallocation of funds incorrectly allocated in the 2016 ENE <sup>1</sup>	(604)	Goods and services	Review of the Protection, Promotion, Development And Management of Indigenous Knowledge Systems Bill <sup>1</sup>	604
	Cost containment measures effected on research and development infrastructure <sup>1</sup>	(52 188)	Departmental agencies and accounts	Strategic science platform Academy of Science of South Africa <sup>1</sup>	52 188
	Cost containment measures effected on the new high end infrastructure projects <sup>2</sup>	(22 156)	<b>Programme 1</b>		<b>29 599</b>
	Cost containment measures effected on the new high end infrastructure projects <sup>2</sup>	(4 461)	Machinery and equipment	IT infrastructure and services	22 156
	Cost containment measures effected on the new high end infrastructure projects <sup>2</sup>	(2 982)	Goods and services	Maintenance services	4 461
	Cost containment measures effected on the new high end infrastructure projects <sup>2</sup>	(2 982)	Compensation of employees	Performance bonuses <sup>2</sup>	2 982
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		0.7%			
<b>Programme 5</b>		<b>(13 525)</b>	<b>Programme 5</b>		<b>3 029</b>
Departmental agencies and accounts	Realignment of the budget for forensic audit on the rural technology demonstration centre project <sup>1</sup>	(3 029)	Goods and services	Forensic audit on the rural technology demonstration centre project	3 029
	Unspent funds due to delays in project implementation owing to capacity challenges and revised plans <sup>2</sup>	(2 497)	<b>Programme 1</b>		<b>2 497</b>
	Unspent funds due to delays in project implementation owing to capacity challenges and revised plans <sup>1</sup>	(596)	Goods and services	Maintenance services	2 497
Public corporations and private enterprises	Unspent funds due to delays in project implementation owing to capacity challenges and revised plans <sup>1</sup>	(596)	<b>Programme 5</b>		<b>596</b>
	Unspent funds due to delays in project implementation owing to capacity challenges and revised plans <sup>2</sup>	(7 403)	Departmental agencies and accounts	Various services for technology development	596
			<b>Programme 1</b>		<b>7 403</b>
			Goods and services	IT infrastructure and services	7 403
Shifts within the programme as a percentage of the programme budget		0.2%			
Virements to other programmes as a percentage of the programme budget		0.6%			
<b>Total</b>		<b>(99 910)</b>			<b>99 910</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	adjusted % of	Apr 15 - Mar 16	adjusted % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	adjusted % of	
R thousand										
Administration	300 537	136 326	45.4	301 996	100.5	345 142	4.6	157 840	45.7	
Technology Innovation	1 008 514	530 441	52.6	1 063 297	105.4	1 005 418	13.5	627 349	62.4	
International Cooperation and Resources	121 359	40 098	33.0	114 968	94.7	124 463	1.7	59 821	48.1	
Research, Development and Support	4 238 825	3 463 962	81.7	4 218 854	99.5	4 170 997	56.1	3 386 151	81.2	
Socio-Economic Innovation Partnerships	1 796 871	679 451	37.8	1 738 347	96.7	1 782 976	24.0	870 695	48.8	
<b>Total</b>	<b>7 466 106</b>	<b>4 850 278</b>	<b>65.0</b>	<b>7 437 462</b>	<b>99.6</b>	<b>7 428 996</b>	<b>100.0</b>	<b>5 101 856</b>	<b>68.7</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>494 991</b>	<b>226 595</b>	<b>45.8</b>	<b>464 810</b>	<b>93.9</b>	<b>532 334</b>	<b>7.2</b>	<b>254 649</b>	<b>47.8</b>	
Compensation of employees	295 288	151 160	51.2	301 085	102.0	313 793	4.2	158 761	50.6	
Goods and services	199 703	75 435	37.8	163 725	82.0	218 541	2.9	95 888	43.9	

Economic classification	2015/16					2016/17				
	Adjusted appropriation	Audited outcome		Actual expenditure		Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation		
Apr 15 - Sep 15		Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation				Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
R thousand										
<b>Transfers and subsidies</b>	<b>6 968 806</b>	<b>4 618 933</b>	<b>66.3</b>	<b>6 956 058</b>	<b>99.8</b>	<b>6 872 197</b>	<b>92.5</b>	<b>4 843 392</b>	<b>70.5</b>	
Departmental agencies and accounts	5 457 124	3 437 383	63.0	4 762 435	87.3	5 311 421	71.5	3 738 750	70.4	
Higher education institutions	114 580	140 565	122.7	230 304	201.0	115 622	1.6	124 008	107.3	
Public corporations and private enterprises	1 249 847	1 000 831	80.1	1 833 674	146.7	1 299 370	17.5	909 995	70.0	
Non-profit institutions	147 255	39 962	27.1	128 822	87.5	145 784	2.0	70 452	48.3	
Households	-	192	-	823	-	-	-	187	-	
<b>Payments for capital assets</b>	<b>2 309</b>	<b>4 685</b>	<b>202.9</b>	<b>16 467</b>	<b>713.2</b>	<b>24 465</b>	<b>0.3</b>	<b>3 723</b>	<b>15.2</b>	
Machinery and equipment	2 309	4 685	202.9	16 467	713.2	24 465	0.3	3 723	15.2	
<b>Payments for financial assets</b>	<b>-</b>	<b>65</b>	<b>-</b>	<b>127</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92</b>	<b>-</b>	
<b>Total</b>	<b>7 466 106</b>	<b>4 850 278</b>	<b>65.0</b>	<b>7 437 462</b>	<b>99.6</b>	<b>7 428 996</b>	<b>100.0</b>	<b>5 101 856</b>	<b>68.7</b>	

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.6 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R5.1 billion or 68.7 per cent of the adjusted appropriation of R7.4 billion for the year. In comparison, mid-year expenditure in 2015/16 was R4.9 billion, or 65 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R251.6 million, or 5.2 per cent. This was mainly due to payments being made to some projects that were ahead of schedule.

### Departmental receipts

Economic classification	2015/16					2016/17				
	Adjusted estimate	Audited outcome		Actual receipts		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
Apr 15 - Sep 15		Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Apr 16 - Sep 16					
R thousand										
<b>Departmental receipts</b>	<b>357</b>	<b>239</b>	<b>66.9</b>	<b>514</b>	<b>144.0</b>	<b>121</b>	<b>7 000</b>	<b>100.0</b>	<b>5 725</b>	<b>81.8</b>
Sales of goods and services produced by department	29	25	86.2	51	175.9	29	29	0.4	26	89.7
Interest, dividends and rent on land	8	3	37.5	6	75.0	8	8	0.1	5	62.5
Transactions in financial assets and liabilities	320	211	65.9	457	142.8	84	6 963	99.5	5 694	81.8
<b>Total</b>	<b>357</b>	<b>239</b>	<b>66.9</b>	<b>514</b>	<b>144.0</b>	<b>121</b>	<b>7 000</b>	<b>100.0</b>	<b>5 725</b>	<b>81.8</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R5.7 million, or 81.8 per cent of the adjusted revenue estimate of R7 million for the year. In comparison, mid-year revenue in 2015/16 was R239 000, or 66.9 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R5.5 million, or 2 295.4 per cent. This was mainly due to unspent funds returned from projects, money received from employees for lost or damaged assets, and bursaries paid back by employees.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Technology Innovation</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>30 107</b>	-	-	<b>1 870</b>	-	-	<b>1 870</b>	<b>31 977</b>
Various institutions: Innovation projects research	30 107	-	-	1 870	-	-	1 870	31 977
<b>Non-profit institutions</b>								
<b>Current</b>	<b>89 162</b>	-	-	<b>(3 994)</b>	-	-	<b>(3 994)</b>	<b>85 168</b>
Various institutions: Biofuels	6 522	-	-	(385)	-	-	(385)	6 137
Various institutions: Implementation of biotechnology strategy	35 505	-	-	816	-	-	816	36 321
Various institutions: Health innovation research	43 610	-	-	(900)	-	-	(900)	42 710
South African Association of Science and Technology Centre	3 525	-	-	(3 525)	-	-	(3 525)	-
<b>Research, Development and Support</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>184 885</b>	-	-	<b>51 584</b>	-	-	<b>51 584</b>	<b>236 469</b>
Academy of Science of South Africa	23 106	-	-	1 000	-	-	1 000	24 106
Various institutions: Policy development on human and social development dynamics	10 487	-	-	(4)	-	-	(4)	10 483
Various institutions: Strategic science platforms for research and development	151 292	-	-	50 588	-	-	50 588	201 880
<b>Capital</b>	<b>754 880</b>	-	-	<b>(81 787)</b>	-	-	<b>(81 787)</b>	<b>673 093</b>
Various institutions: Infrastructure projects for research and development	754 880	-	-	(81 787)	-	-	(81 787)	673 093
<b>Socio-Economic Innovation</b>								
<b>Partnerships</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>428 725</b>	-	-	<b>(4 930)</b>	-	-	<b>(4 930)</b>	<b>423 795</b>
Various institutions: Innovative research and development	49 926	-	-	(3 486)	-	-	(3 486)	46 440
Various institutions: Local manufacturing capacity research and technical support	214 183	-	-	596	-	-	596	214 779
Various institutions: Local systems of innovation for the cold chain technologies project	154 043	-	-	(1 000)	-	-	(1 000)	153 043
Human Science Research Council: Science and technology indicators	10 573	-	-	(1 040)	-	-	(1 040)	9 533
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Other transfers</b>								
<b>Current</b>	<b>124 735</b>	-	-	<b>(7 999)</b>	-	-	<b>(7 999)</b>	<b>116 736</b>
Various institutions: Advanced manufacturing technology strategy implementation	45 755	-	-	(2 180)	-	-	(2 180)	43 575
Council for Scientific and Industrial Research	30 745	-	-	(4 418)	-	-	(4 418)	26 327
Various institutions: Resource based industries research and development	48 235	-	-	(1 401)	-	-	(1 401)	46 834



# Vote 31

## Small Business Development

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 325 439</b>	<b>1 318 439</b>	<b>(7 000)</b>	<b>-</b>
<b>of which:</b>				
Current payments	215 473	208 473	(7 000)	-
Transfers and subsidies	1 105 786	1 105 786	-	-
Payments for capital assets	4 180	4 180	-	-
Executive authority	Minister of Small Business Development			
Accounting officer	Director-General of Small Business Development			
Website address	www.dsbd.gov.za			

### Vote purpose

*Promote the development of small businesses and cooperatives that contribute to inclusive economic growth and job creation.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of SMMEs financially assisted through the black business supplier development programme per year	SMMEs and Cooperatives Programme Design and Support	Outcome 4: Decent employment through inclusive economic growth	500	296	-
Number of cooperatives financially assisted through the cooperatives incentive scheme per year	SMMEs and Cooperatives Programme Design and Support		370	146	-
Number of informal business enterprises supported through incentives per year	SMMEs and Cooperatives Programme Design and Support		1 100	0 <sup>1</sup>	-
Number of cooperative enterprises supported through incentives per year	SMMEs and Cooperatives Programme Design and Support		130	0 <sup>2</sup>	-
Number of SMMEs in rural areas and townships supported through incentives per year	SMMEs and Cooperatives Programme Design and Support		110	133	-
Number of informal enterprises financially assisted through the national informal business upliftment scheme per year	SMMEs and Cooperatives Programme Design and Support		1 666	1 509	-
Number of incubators established per year through the enterprise incubation programme	SMMEs and Cooperatives Programme Design and Support		10	0	-

1. Indicator captured in the 2016 ENE as a duplicate of the indicator 'Number of SMMEs financially assisted through the black business supplier development programme per year'.

2. Indicator captured in the 2016 ENE as a duplicate of the indicator 'Number of cooperatives financially assisted through the cooperatives incentive scheme per year'.

## Mid-year progress

The department assisted 296 small businesses through the Black Business Support Programme incentive and 146 cooperatives through the Co-operatives Incentives Scheme. About 133 small businesses and cooperatives were financially assisted through the black business supplier development programme and cooperative incentive schemes in rural and township areas. The over-achievement on this target by mid-year was because the department prioritised businesses and cooperatives in rural areas and townships.

The department was able to recruit and train 1 509 informal traders through the national informal business upliftment scheme in collaboration with UN Women, the Tshwane Community Business Forum, and the Small Enterprise Development Agency and the German development cooperation programme. There was over-performance on this target, as more traders were reached as a result of the department changing the initial value of support to each informal trader from R80 000 to R10 000.

Although there have been delays in the establishment of incubators, the department is confident that the annual target will be achieved as a sufficient number of applications have been processed and are only awaiting ministerial approval.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	118 080	-	-	2 876	(7 000)	-	(4 124)	113 956
Small, Medium and Micro Enterprises and Cooperatives Policy and Research	26 105	-	-	(270)	-	-	(270)	25 835
Small, Medium and Micro Enterprises and Cooperatives Programme Design and Support	1 181 254	-	-	(2 606)	-	-	(2 606)	1 178 648
<b>Total</b>	<b>1 325 439</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7 000)</b>	<b>-</b>	<b>(7 000)</b>	<b>1 318 439</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>215 473</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7 000)</b>	<b>-</b>	<b>(7 000)</b>	<b>208 473</b>
Compensation of employees	136 681	-	-	-	(7 000)	-	(7 000)	129 681
Goods and services	78 792	-	-	-	-	-	-	78 792
<b>Transfers and subsidies</b>	<b>1 105 786</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 105 786</b>
Departmental agencies and accounts	633 814	-	-	-	-	-	-	633 814
Public corporations and private enterprises	471 972	-	-	-	-	-	-	471 972
<b>Payments for capital assets</b>	<b>4 180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 180</b>
Machinery and equipment	4 180	-	-	-	-	-	-	4 180
<b>Total</b>	<b>1 325 439</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7 000)</b>	<b>-</b>	<b>(7 000)</b>	<b>1 318 439</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	26 133	-	-	(1 140)	-	-	(1 140)	24 993
Departmental Management	18 950	-	-	(290)	-	-	(290)	18 660
Corporate Services	47 027	-	-	2 780	(7 000)	-	(4 220)	42 807
Financial Management	14 972	-	-	542	-	-	542	15 514
Communications	10 998	-	-	984	-	-	984	11 982
<b>Total</b>	<b>118 080</b>	<b>-</b>	<b>-</b>	<b>2 876</b>	<b>(7 000)</b>	<b>-</b>	<b>(4 124)</b>	<b>113 956</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>115 240</b>	<b>-</b>	<b>-</b>	<b>1 716</b>	<b>(7 000)</b>	<b>-</b>	<b>(5 284)</b>	<b>109 956</b>
Compensation of employees	64 765	-	-	-	(7 000)	-	(7 000)	57 765
Goods and services	50 475	-	-	1 716	-	-	1 716	52 191
<b>Payments for capital assets</b>	<b>2 840</b>	<b>-</b>	<b>-</b>	<b>1 160</b>	<b>-</b>	<b>-</b>	<b>1 160</b>	<b>4 000</b>
Machinery and equipment	2 840	-	-	1 160	-	-	1 160	4 000
<b>Total</b>	<b>118 080</b>	<b>-</b>	<b>-</b>	<b>2 876</b>	<b>(7 000)</b>	<b>-</b>	<b>(4 124)</b>	<b>113 956</b>

**Programme 2: Small, Medium and Micro Enterprises and Cooperatives Policy and Research**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Policy, Research and Legislation	18 536	–	–	3 027	–	–	3 027	21 563
Monitoring and Evaluation	7 569	–	–	(3 297)	–	–	(3 297)	4 272
<b>Total</b>	<b>26 105</b>	<b>–</b>	<b>–</b>	<b>(270)</b>	<b>–</b>	<b>–</b>	<b>(270)</b>	<b>25 835</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>25 775</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>25 775</b>
Compensation of employees	14 186	–	–	–	–	–	–	14 186
Goods and services	11 589	–	–	–	–	–	–	11 589
<b>Payments for capital assets</b>	<b>330</b>	<b>–</b>	<b>–</b>	<b>(270)</b>	<b>–</b>	<b>–</b>	<b>(270)</b>	<b>60</b>
Machinery and equipment	330	–	–	(270)	–	–	(270)	60
<b>Total</b>	<b>26 105</b>	<b>–</b>	<b>–</b>	<b>(270)</b>	<b>–</b>	<b>–</b>	<b>(270)</b>	<b>25 835</b>

**Programme 3: Small, Medium and Micro Enterprises and Cooperatives Programme Design and Support**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Competitiveness Support	108 657	–	–	517	–	–	517	109 174
Enterprise Development	656 918	–	–	(150)	–	–	(150)	656 768
Cooperatives Development	8 284	–	–	(1 437)	–	–	(1 437)	6 847
Market Development and Stakeholder Relations	62 562	–	–	(1 216)	–	–	(1 216)	61 346
Small Medium and Micro Enterprises Development Finance	344 833	–	–	(320)	–	–	(320)	344 513
<b>Total</b>	<b>1 181 254</b>	<b>–</b>	<b>–</b>	<b>(2 606)</b>	<b>–</b>	<b>–</b>	<b>(2 606)</b>	<b>1 178 648</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>74 458</b>	<b>–</b>	<b>–</b>	<b>(1 716)</b>	<b>–</b>	<b>–</b>	<b>(1 716)</b>	<b>72 742</b>
Compensation of employees	57 730	–	–	–	–	–	–	57 730
Goods and services	16 728	–	–	(1 716)	–	–	(1 716)	15 012
<b>Transfers and subsidies</b>	<b>1 105 786</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 105 786</b>
Departmental agencies and accounts	633 814	–	–	–	–	–	–	633 814
Public corporations and private enterprises	471 972	–	–	–	–	–	–	471 972
<b>Payments for capital assets</b>	<b>1 010</b>	<b>–</b>	<b>–</b>	<b>(890)</b>	<b>–</b>	<b>–</b>	<b>(890)</b>	<b>120</b>
Machinery and equipment	1 010	–	–	(890)	–	–	(890)	120
<b>Total</b>	<b>1 181 254</b>	<b>–</b>	<b>–</b>	<b>(2 606)</b>	<b>–</b>	<b>–</b>	<b>(2 606)</b>	<b>1 178 648</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

- Administration
- Small, Medium and Micro Enterprises and Cooperatives Policy and Research
- Small, Medium and Micro Enterprises and Cooperatives Programme Design and Support

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(270)</b>	<b>Programme 1</b>		<b>270</b>
Machinery and equipment	Reallocation of funds due to machinery, office, and ICT equipment being centralised	(270)	Machinery and equipment	Centralisation of the machinery, office, and ICT equipment budget	270
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		1.0%			

2016 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>(2 606)</b>	<b>Programme 1</b>		<b>2 606</b>
Machinery and equipment	Reallocation of funds due to machinery, office, and ICT equipment being centralised	(890)	Machinery and equipment	Centralisation of funds for machinery, office, and ICT equipment	890
Goods and services	Cost containment measures effected on travel and subsistence	(1 716)	Goods and services	Higher than anticipated costs for auditing and marketing	1 716
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.2%			
<b>Total</b>		<b>(2 876)</b>	<b>2 876</b>		

## Declared unspent funds – R7 million

Programme 1: Administration

R7 million in unspent funds has been declared on compensation of employees due to the slow filling of posts.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
Administration	80 857	24 944	30.8	66 447	82.2	113 956	8.6	43 852	38.5	
Small, Medium and Micro Enterprises and Cooperatives Policy and Research	12 241	5 697	46.5	11 692	95.5	25 835	2.0	6 161	23.8	
Small, Medium and Micro Enterprises and Cooperatives Programme Design and Support	1 034 422	517 078	50.0	1 020 752	98.7	1 178 648	89.4	567 797	48.2	
<b>Total</b>	<b>1 127 520</b>	<b>547 719</b>	<b>48.6</b>	<b>1 098 891</b>	<b>97.5</b>	<b>1 318 439</b>	<b>100.0</b>	<b>617 810</b>	<b>46.9</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>164 908</b>	<b>61 472</b>	<b>37.3</b>	<b>137 455</b>	<b>83.4</b>	<b>208 473</b>	<b>15.8</b>	<b>78 923</b>	<b>37.9</b>	
Compensation of employees	111 532	44 305	39.7	93 132	83.5	129 681	9.8	54 550	42.1	
Goods and services	53 376	17 167	32.2	44 324	83.0	78 792	6.0	24 373	30.9	
<b>Transfers and subsidies</b>	<b>958 402</b>	<b>485 840</b>	<b>50.7</b>	<b>958 250</b>	<b>100.0</b>	<b>1 105 786</b>	<b>83.9</b>	<b>538 409</b>	<b>48.7</b>	
Departmental agencies and accounts	622 835	374 000	60.0	622 835	100.0	633 814	48.1	380 566	60.0	
Public corporations and private enterprises	318 751	103 432	32.4	318 625	100.0	471 972	35.8	157 843	33.4	
Non-profit institutions	16 726	8 363	50.0	16 726	100.0	–	–	–	–	
Households	90	45	50.0	64	70.6	–	–	–	–	
<b>Payments for capital assets</b>	<b>4 210</b>	<b>407</b>	<b>9.7</b>	<b>3 185</b>	<b>75.7</b>	<b>4 180</b>	<b>0.3</b>	<b>478</b>	<b>11.4</b>	
Machinery and equipment	4 190	407	9.7	3 169	75.6	4 180	0.3	478	11.4	
Software and other intangible assets	20	–	–	17	83.3	–	–	–	–	
<b>Total</b>	<b>1 127 520</b>	<b>547 719</b>	<b>48.6</b>	<b>1 098 891</b>	<b>97.5</b>	<b>1 318 439</b>	<b>100.0</b>	<b>617 810</b>	<b>46.9</b>	

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 97.5 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R617.8 million, or 46.9 per cent of the adjusted appropriation of R1.3 billion for the year. In comparison, mid-year expenditure in 2015/16 was R547.7 million, or 48.6 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R70.1 million, or 12.8 per cent. This was mainly due to additional funding in

the main Budget for the implementation of the national informal business upliftment strategy programme and the enterprise development programme. The recruitment of more personnel for these projects was a further reason for the increase.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>180</b>	<b>91</b>	<b>50.6</b>	<b>121</b>	<b>67.2</b>	<b>50</b>	<b>50</b>	<b>100.0</b>	<b>24</b>	<b>48.0</b>
Sales of goods and services produced by department	180	91	50.6	46	25.6	50	50	100.0	24	48.0
Transactions in financial assets and liabilities	-	-	-	75	-	-	-	-	-	-
<b>Total</b>	<b>180</b>	<b>91</b>	<b>50.6</b>	<b>121</b>	<b>67.2</b>	<b>50</b>	<b>50</b>	<b>100.0</b>	<b>24</b>	<b>48.0</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R24 000, or 48 per cent of the adjusted revenue estimate of R50 000 for the year. In comparison, mid-year revenue in 2015/16 was R91 000, or 50.6 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R67 000, or 73.6 per cent. This was mainly because the department, whose offices are on the Department of Trade and Industry campus, transferred the parking management fee to the Department of Trade and Industry.



# Vote 32

## Telecommunications and Postal Services

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>2 417 412</b>	<b>2 417 412</b>	-	-
<i>of which:</i>				
Current payments	708 296	698 646	(9 650)	-
Transfers and subsidies	1 054 148	1 054 148	-	-
Payments for capital assets	4 968	14 618	-	9 650
Payments for financial assets	650 000	650 000	-	-
Executive authority	Minister of Telecommunications and Postal Services			
Accounting officer	Director-General of Telecommunications and Postal Services			
Website address	www.dtps.gov.za			

### Vote purpose

*Develop information and communication technology (ICT) policies and legislation that create favourable conditions for accelerated and shared sustainable economic growth that positively impacts on the wellbeing of all South Africans.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of ICT position papers developed for international engagements per year	International Affairs and Trade	Outcome 6: An efficient, competitive and responsive economic infrastructure network	5	3	-
Number of identified government institutions connected as part of the national broadband plan: digital development (phase 1) per year	ICT Infrastructure Support		1 293	0	-
Number of identified schools connected as part of the national broadband plan: digital development (phase 1) per year	ICT infrastructure Support		1 507	0	-

### Mid-year progress

No targets relating to the national broadband plan have been met as the tender for connecting government institutions and schools has not been awarded as yet. The department has requested the State Information Technology Agency to procure the service provider. In June 2016, the agency issued a bid document inviting prospective service providers to bid for broadband connectivity of the identified sites, and the bids are currently being evaluated. It is anticipated that the procurement process will be completed by the end of October 2016, after which the broadband connection of government buildings and schools will begin.

The department has developed the Southern African Development Community, Internet Public policy, and the Brazil, Russia, India, China and South Africa position papers, while the Universal Postal Union and World Telecommunication Standardisation Assembly position papers will be finalised in October 2016.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	193 337	–	–	14 567	–	–	14 567	207 904	
International Affairs and Trade	44 710	–	–	941	–	–	941	45 651	
Policy, Research and Capacity Development	95 618	–	–	(6 837)	–	–	(6 837)	88 781	
ICT Enterprise Development and Oversight	891 801	–	–	(5 193)	–	–	(5 193)	886 608	
ICT Infrastructure Support	1 191 946	–	–	(3 478)	–	–	(3 478)	1 188 468	
<b>Total</b>	<b>2 417 412</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 417 412</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>708 296</b>	<b>–</b>	<b>–</b>	<b>(9 650)</b>	<b>–</b>	<b>–</b>	<b>(9 650)</b>	<b>698 646</b>	
Compensation of employees	213 713	–	–	–	–	–	–	213 713	
Goods and services	494 583	–	–	(9 650)	–	–	(9 650)	484 933	
<b>Transfers and subsidies</b>	<b>1 054 148</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 054 148</b>	
Departmental agencies and accounts	790 785	–	–	–	–	–	–	790 785	
Foreign governments and international organisations	23 363	–	–	–	–	–	–	23 363	
Public corporations and private enterprises	240 000	–	–	–	–	–	–	240 000	
<b>Payments for capital assets</b>	<b>4 968</b>	<b>–</b>	<b>–</b>	<b>9 650</b>	<b>–</b>	<b>–</b>	<b>9 650</b>	<b>14 618</b>	
Machinery and equipment	4 568	–	–	3 150	–	–	3 150	7 718	
Software and other intangible assets	400	–	–	6 500	–	–	6 500	6 900	
<b>Payments for financial assets</b>	<b>650 000</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>650 000</b>	
<b>Total</b>	<b>2 417 412</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 417 412</b>	

## Programme 1: Administration

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	4 575	–	–	(217)	–	–	(217)	4 358	
Departmental Management	42 474	–	–	3 348	–	–	3 348	45 822	
Internal Audit	7 978	–	–	143	–	–	143	8 121	
Corporate Services	53 626	–	–	15 566	–	–	15 566	69 192	
Financial Management	75 067	–	–	(4 273)	–	–	(4 273)	70 794	
Office Accommodation	9 617	–	–	–	–	–	–	9 617	
<b>Total</b>	<b>193 337</b>	<b>–</b>	<b>–</b>	<b>14 567</b>	<b>–</b>	<b>–</b>	<b>14 567</b>	<b>207 904</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>190 557</b>	<b>–</b>	<b>–</b>	<b>6 067</b>	<b>–</b>	<b>–</b>	<b>6 067</b>	<b>196 624</b>	
Compensation of employees	92 349	–	–	4 017	–	–	4 017	96 366	
Goods and services	98 208	–	–	2 050	–	–	2 050	100 258	
<b>Payments for capital assets</b>	<b>2 780</b>	<b>–</b>	<b>–</b>	<b>8 500</b>	<b>–</b>	<b>–</b>	<b>8 500</b>	<b>11 280</b>	
Machinery and equipment	2 380	–	–	2 000	–	–	2 000	4 380	
Software and other intangible assets	400	–	–	6 500	–	–	6 500	6 900	
<b>Total</b>	<b>193 337</b>	<b>–</b>	<b>–</b>	<b>14 567</b>	<b>–</b>	<b>–</b>	<b>14 567</b>	<b>207 904</b>	

## Programme 2: International Affairs and Trade

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
International Affairs	15 084	–	–	(599)	–	–	(599)	14 485	
ICT Trade/Partnership	29 626	–	–	1 540	–	–	1 540	31 166	
<b>Total</b>	<b>44 710</b>	<b>–</b>	<b>–</b>	<b>941</b>	<b>–</b>	<b>–</b>	<b>941</b>	<b>45 651</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>20 799</b>	<b>–</b>	<b>–</b>	<b>791</b>	<b>–</b>	<b>–</b>	<b>791</b>	<b>21 590</b>	
Compensation of employees	13 000	–	–	941	–	–	941	13 941	
Goods and services	7 799	–	–	(150)	–	–	(150)	7 649	
<b>Transfers and subsidies</b>	<b>23 363</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>23 363</b>	
Foreign governments and international organisations	23 363	–	–	–	–	–	–	23 363	
<b>Payments for capital assets</b>	<b>548</b>	<b>–</b>	<b>–</b>	<b>150</b>	<b>–</b>	<b>–</b>	<b>150</b>	<b>698</b>	
Machinery and equipment	548	–	–	150	–	–	150	698	
<b>Total</b>	<b>44 710</b>	<b>–</b>	<b>–</b>	<b>941</b>	<b>–</b>	<b>–</b>	<b>941</b>	<b>45 651</b>	

**Programme 3: Policy, Research and Capacity Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
ICT Policy Development	22 844	-	-	(7 337)	-	-	(7 337)	15 507
Economic and Market Analysis	4 739	-	-	122	-	-	122	4 861
Research	6 001	-	-	885	-	-	885	6 886
Information Society Development	51 601	-	-	49	-	-	49	51 650
Capacity Development	10 433	-	-	(556)	-	-	(556)	9 877
<b>Total</b>	<b>95 618</b>	<b>-</b>	<b>-</b>	<b>(6 837)</b>	<b>-</b>	<b>-</b>	<b>(6 837)</b>	<b>88 781</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>94 964</b>	<b>-</b>	<b>-</b>	<b>(6 837)</b>	<b>-</b>	<b>-</b>	<b>(6 837)</b>	<b>88 127</b>
Compensation of employees	56 978	-	-	(1 287)	-	-	(1 287)	55 691
Goods and services	37 986	-	-	(5 550)	-	-	(5 550)	32 436
<b>Payments for capital assets</b>	<b>654</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654</b>
Machinery and equipment	654	-	-	-	-	-	-	654
<b>Total</b>	<b>95 618</b>	<b>-</b>	<b>-</b>	<b>(6 837)</b>	<b>-</b>	<b>-</b>	<b>(6 837)</b>	<b>88 781</b>

**Programme 4: ICT Enterprise Development and Oversight**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Public Entity Oversight	870 952	-	-	2 076	-	-	2 076	873 028
Small, Medium and Micro Enterprise Development	13 605	-	-	(7 846)	-	-	(7 846)	5 759
ICT Support	7 244	-	-	577	-	-	577	7 821
<b>Total</b>	<b>891 801</b>	<b>-</b>	<b>-</b>	<b>(5 193)</b>	<b>-</b>	<b>-</b>	<b>(5 193)</b>	<b>886 608</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>39 765</b>	<b>-</b>	<b>-</b>	<b>(5 693)</b>	<b>-</b>	<b>-</b>	<b>(5 693)</b>	<b>34 072</b>
Compensation of employees	31 269	-	-	(5 193)	-	-	(5 193)	26 076
Goods and services	8 496	-	-	(500)	-	-	(500)	7 996
<b>Transfers and subsidies</b>	<b>201 401</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>201 401</b>
Departmental agencies and accounts	201 401	-	-	-	-	-	-	201 401
<b>Payments for capital assets</b>	<b>635</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>1 135</b>
Machinery and equipment	635	-	-	500	-	-	500	1 135
<b>Payments for financial assets</b>	<b>650 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>650 000</b>
<b>Total</b>	<b>891 801</b>	<b>-</b>	<b>-</b>	<b>(5 193)</b>	<b>-</b>	<b>-</b>	<b>(5 193)</b>	<b>886 608</b>

**Programme 5: ICT Infrastructure Support**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Broadband	362 562	-	-	(3 478)	-	-	(3 478)	359 084
Digital Terrestrial Television	829 384	-	-	-	-	-	-	829 384
<b>Total</b>	<b>1 191 946</b>	<b>-</b>	<b>-</b>	<b>(3 478)</b>	<b>-</b>	<b>-</b>	<b>(3 478)</b>	<b>1 188 468</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>362 211</b>	<b>-</b>	<b>-</b>	<b>(3 978)</b>	<b>-</b>	<b>-</b>	<b>(3 978)</b>	<b>358 233</b>
Compensation of employees	20 117	-	-	1 522	-	-	1 522	21 639
Goods and services	342 094	-	-	(5 500)	-	-	(5 500)	336 594
<b>Transfers and subsidies</b>	<b>829 384</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>829 384</b>
Departmental agencies and accounts	589 384	-	-	-	-	-	-	589 384
Public corporations and private enterprises	240 000	-	-	-	-	-	-	240 000
<b>Payments for capital assets</b>	<b>351</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>851</b>
Machinery and equipment	351	-	-	500	-	-	500	851
<b>Total</b>	<b>1 191 946</b>	<b>-</b>	<b>-</b>	<b>(3 478)</b>	<b>-</b>	<b>-</b>	<b>(3 478)</b>	<b>1 188 468</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

#### Programmes

1. Administration
2. International Affairs and Trade
3. Policy, Research and Capacity Development
4. ICT Enterprise Development and Oversight
5. ICT Infrastructure Support

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(4 500)</b>	<b>Programme 1</b>		<b>4 500</b>
Goods and services	Reallocation of funds from advertising	(4 500)	Software and other intangible assets	IT software upgrades	4 500
Shifts within the programme as a percentage of the programme budget		2.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(150)</b>	<b>Programme 2</b>		<b>150</b>
Goods and services	Reallocation of funds from minor assets	(150)	Machinery and equipment	Office furniture	150
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>			
<b>Programme 3</b>		<b>(6 837)</b>	<b>Programme 1</b>		<b>6 837</b>
Goods and services	Reallocation of funds from various items	(2 000)	Software and other intangible assets	Software upgrades for internal audit	2 000
	Reallocation of funds from travel and subsistence	(1 550)	Goods and services	Travel and subsistence and Special Investigations Unit audit	1 550
	Reallocation of funds from consultants	(2 000)	Machinery and equipment	Replacement of old laptop computers	2 000
Compensation of employees	Reallocation of funds across organisational structure	(1 287)	Compensation of employees	Funding of critical posts	1 287
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>7.2%</b>			
<b>Programme 4</b>		<b>(5 693)</b>	<b>Programme 4</b>		<b>500</b>
Goods and services	Reallocation of funds from minor assets	(500)	Machinery and equipment	Office furniture	500
Compensation of employees	Reallocation of funds across organisational structure	(2 730)	<b>Programme 1</b>		<b>2 730</b>
	Reallocation of funds across organisational structure	(941)	Compensation of employees	Funding of critical posts	2 730
	Reallocation of funds across organisational structure	(1 522)	<b>Programme 2</b>		<b>941</b>
			Compensation of employees	Funding of critical posts	941
			<b>Programme 5</b>		<b>1 522</b>
			Compensation of employees	Funding of critical posts	1 522
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.6%</b>			
<b>Programme 5</b>		<b>(5 500)</b>	<b>Programme 1</b>		<b>5 000</b>
Goods and services	Reallocation of funds from travel and subsistence	(5 000)	Goods and services	Travel and subsistence and Special Investigations Unit audit	5 000
	Reallocation of funds from minor assets and computer services				
	Reallocation of funds from minor assets	(500)	<b>Programme 5</b>		<b>500</b>
			Machinery and equipment	Office furniture	500
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>			
<b>Total</b>		<b>(22 680)</b>			<b>22 680</b>

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	adjusted appropriation % of	Apr 15 - Mar 16	adjusted appropriation % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	adjusted appropriation % of
R thousand									
Administration	180 349	119 047	66.0	221 864	123.0	207 904	8.6	109 699	52.8
International Affairs and Trade	43 447	32 310	74.4	41 542	95.6	45 651	1.9	35 279	77.3
Policy, Research and Capacity Development	105 578	36 591	34.7	73 979	70.1	88 781	3.7	40 681	45.8
ICT Enterprise Development and Oversight	447 889	354 441	79.1	488 959	109.2	886 608	36.7	765 450	86.3
ICT Infrastructure Support	627 990	249 523	39.7	473 753	75.4	1 188 468	49.2	428 253	36.0
<b>Total</b>	<b>1 405 253</b>	<b>791 912</b>	<b>56.4</b>	<b>1 300 097</b>	<b>92.5</b>	<b>2 417 412</b>	<b>100.0</b>	<b>1 379 362</b>	<b>57.1</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>671 576</b>	<b>181 776</b>	<b>27.1</b>	<b>412 120</b>	<b>61.4</b>	<b>698 646</b>	<b>28.9</b>	<b>181 552</b>	<b>26.0</b>
Compensation of employees	198 487	90 908	45.8	181 693	91.5	213 713	8.8	99 638	46.6
Goods and services	473 089	90 868	19.2	230 427	48.7	484 933	20.1	81 914	16.9
<b>Transfers and subsidies</b>	<b>728 616</b>	<b>605 510</b>	<b>83.1</b>	<b>882 049</b>	<b>121.1</b>	<b>1 054 148</b>	<b>43.6</b>	<b>541 059</b>	<b>51.3</b>
Provinces and municipalities	–	11	–	13	–	–	–	18	–
Departmental agencies and accounts	597 422	475 453	79.6	532 574	89.1	790 785	32.7	394 576	49.9
Foreign governments and international organisations	22 194	24 001	108.1	24 629	111.0	23 363	1.0	26 136	111.9
Public corporations and private enterprises	109 000	105 657	96.9	324 104	297.3	240 000	9.9	120 038	50.0
Households	–	388	–	729	–	–	–	291	–
<b>Payments for capital assets</b>	<b>5 061</b>	<b>4 233</b>	<b>83.6</b>	<b>5 481</b>	<b>108.3</b>	<b>14 618</b>	<b>0.6</b>	<b>6 720</b>	<b>46.0</b>
Machinery and equipment	5 061	2 177	43.0	3 425	67.7	7 718	0.3	2 808	36.4
Software and other intangible assets	–	2 056	–	2 056	–	6 900	0.3	3 912	56.7
<b>Payments for financial assets</b>	<b>–</b>	<b>393</b>	<b>–</b>	<b>447</b>	<b>–</b>	<b>650 000</b>	<b>26.9</b>	<b>650 031</b>	<b>100.0</b>
<b>Total</b>	<b>1 405 253</b>	<b>791 912</b>	<b>56.4</b>	<b>1 300 097</b>	<b>92.5</b>	<b>2 417 412</b>	<b>100.0</b>	<b>1 379 362</b>	<b>57.1</b>

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 92.5 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R1.4 billion, or 57.1 per cent of the adjusted appropriation of R2.4 billion for the year. In comparison, mid-year expenditure in 2015/16 was R791.9 million, or 56.4 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R587.5 million, or 74.2 per cent. This was mainly due to the once-off payment for the recapitalisation of the South African Post Office in 2016/17.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>27 633 930</b>	<b>1 336 555</b>	<b>4.8</b>	<b>26 804 435</b>	<b>97.0</b>	<b>508 093</b>	<b>559 537</b>	<b>100.0</b>	<b>559 413</b>	<b>100.0</b>
Sales of goods and services produced by department	55	50	90.9	52	94.5	58	37	-	24	64.9
Interest, dividends and rent on land	2 165 531	1 335 881	61.7	1 335 925	61.7	507 383	559 240	99.9	559 236	100.0
Sales of capital assets	-	-	-	-	-	-	100	-	-	-
Transactions in financial assets and liabilities	25 468 344	624	0.0	25 468 458	100.0	652	160	-	153	95.6
<b>National Revenue Fund receipts</b>	<b>-</b>	<b>12 597 734</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Proceeds from sale of Telkom's share in Vodacom	-	12 597 734	-	-	-	-	-	-	-	-
<b>Total</b>	<b>27 633 930</b>	<b>13 934 289</b>	<b>50.4</b>	<b>26 804 435</b>	<b>97.0</b>	<b>508 093</b>	<b>559 537</b>	<b>100.0</b>	<b>559 413</b>	<b>100.0</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R559.4 million, or 100 per cent of the adjusted revenue estimate of R559.5 million for the year. In comparison, mid-year departmental receipts in 2015/16 amounted to R1.3 billion, or 4.8 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R777.1 million, or 58.1 per cent. The decrease is due to less revenue from dividends following the sale of Vodacom shares by government in 2015/16.

# Vote 33

## Tourism

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>2 009 516</b>	<b>2 009 516</b>	<b>-</b>	<b>-</b>
Current payments	671 063	615 647	(55 416)	-
Transfers and subsidies	1 226 083	1 167 309	(58 774)	-
Payments for capital assets	112 370	226 560	-	114 190
Executive authority	Minister of Tourism			
Accounting officer	Director-General of Tourism			
Website address	www.tourism.gov.za			

### Vote purpose

*Promote and support the growth and development of an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of tourism attractions supported to enhance destination competitiveness per year	Policy and Knowledge Services	Outcome 4: Decent employment through inclusive economic growth	3	3	-
Number of priority areas incentivised per year	Policy and Knowledge Services		3	3	-
Number of skills development opportunities facilitated through bilateral cooperation per year	International Tourism		3	1	-
Number of full time equivalent jobs created through the social responsibility implementation programme of the expanded public works programme per year	Domestic Tourism		3 488	354	-
Number of rural enterprises supported for development per year	Domestic Tourism	Outcome 7: Comprehensive rural development and land reform	100	15	-
Number of programmes implemented to grow the contribution of tourism to the oceans economy per year	Domestic Tourism	Outcome 4: Decent employment through inclusive economic growth	1	1	-
Number of capacity building programmes implemented per year	Domestic Tourism		4	1	-

### Mid-year progress

Although the performance for some indicators in the first six months of 2016/17 was slow and below the targets set, the department expects to meet all its targets by year-end.

The progress on the number of full time equivalent jobs created through the social responsibility implementation programme was slow, with only 354 of the annual target of 3 488. This was because the procurement of service providers for projects was not finalised on time.

There was also slow progress on the number of rural enterprises supported for development per year, with only 15 out of a targeted 100 rural enterprises supported. This was due to delays in the appointment of external service providers.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	237 456	-	-	-	-	-	-	237 456
Policy and Knowledge Services	1 272 613	-	-	(2 860)	-	-	(2 860)	1 269 753
International Tourism	54 708	-	-	916	-	-	916	55 624
Domestic Tourism	444 739	-	-	1 944	-	-	1 944	446 683
<b>Total</b>	<b>2 009 516</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 009 516</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>671 063</b>	<b>-</b>	<b>-</b>	<b>(55 416)</b>	<b>-</b>	<b>-</b>	<b>(55 416)</b>	<b>615 647</b>
Compensation of employees	265 541	-	-	4 000	-	-	4 000	269 541
Goods and services	405 522	-	-	(59 416)	-	-	(59 416)	346 106
<b>Transfers and subsidies</b>	<b>1 226 083</b>	<b>-</b>	<b>-</b>	<b>(58 774)</b>	<b>-</b>	<b>-</b>	<b>(58 774)</b>	<b>1 167 309</b>
Departmental agencies and accounts	1 029 424	-	-	-	-	-	-	1 029 424
Higher education institutions	4 011	-	-	-	-	-	-	4 011
Foreign governments and international organisations	6 322	-	-	-	-	-	-	6 322
Public corporations and private enterprises	108 965	-	-	(29 795)	-	-	(29 795)	79 170
Non-profit institutions	16 027	-	-	-	-	-	-	16 027
Households	61 334	-	-	(28 979)	-	-	(28 979)	32 355
<b>Payments for capital assets</b>	<b>112 370</b>	<b>-</b>	<b>-</b>	<b>114 190</b>	<b>-</b>	<b>-</b>	<b>114 190</b>	<b>226 560</b>
Buildings and other fixed structures	104 651	-	-	114 190	-	-	114 190	218 841
Machinery and equipment	7 308	-	-	-	-	-	-	7 308
Software and other intangible assets	411	-	-	-	-	-	-	411
<b>Total</b>	<b>2 009 516</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 009 516</b>

## Programme 2: Policy and Knowledge Services

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Policy and Knowledge Services Management	4 734	-	-	360	-	-	360	5 094
Policy Development and Evaluation	27 737	-	-	(5 245)	-	-	(5 245)	22 492
Research and Knowledge Management	26 364	-	-	5 665	-	-	5 665	32 029
South African Tourism	1 024 847	-	-	-	-	-	-	1 024 847
Tourism Incentive Programme	188 931	-	-	(3 640)	-	-	(3 640)	185 291
<b>Total</b>	<b>1 272 613</b>	<b>-</b>	<b>-</b>	<b>(2 860)</b>	<b>-</b>	<b>-</b>	<b>(2 860)</b>	<b>1 269 753</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>133 930</b>	<b>-</b>	<b>-</b>	<b>(67 081)</b>	<b>-</b>	<b>-</b>	<b>(67 081)</b>	<b>66 849</b>
Compensation of employees	42 647	-	-	1 140	-	-	1 140	43 787
Goods and services	91 283	-	-	(68 221)	-	-	(68 221)	23 062
<b>Transfers and subsidies</b>	<b>1 137 223</b>	<b>-</b>	<b>-</b>	<b>(29 795)</b>	<b>-</b>	<b>-</b>	<b>(29 795)</b>	<b>1 107 428</b>
Departmental agencies and accounts	1 024 847	-	-	-	-	-	-	1 024 847
Higher education institutions	4 011	-	-	-	-	-	-	4 011
Public corporations and private enterprises	108 365	-	-	(29 795)	-	-	(29 795)	78 570
<b>Payments for capital assets</b>	<b>1 460</b>	<b>-</b>	<b>-</b>	<b>94 016</b>	<b>-</b>	<b>-</b>	<b>94 016</b>	<b>95 476</b>
Buildings and other fixed structures	-	-	-	94 016	-	-	94 016	94 016
Machinery and equipment	1 425	-	-	-	-	-	-	1 425
Software and other intangible assets	35	-	-	-	-	-	-	35
<b>Total</b>	<b>1 272 613</b>	<b>-</b>	<b>-</b>	<b>(2 860)</b>	<b>-</b>	<b>-</b>	<b>(2 860)</b>	<b>1 269 753</b>

**Programme 3: International Tourism**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
International Tourism Management	4 637	–	–	295	–	–	295	4 932
Americas and Western Europe	19 956	–	–	205	–	–	205	20 161
Africa and Middle East	16 267	–	–	184	–	–	184	16 451
Asia, Australasia and Eastern Europe	13 848	–	–	232	–	–	232	14 080
<b>Total</b>	<b>54 708</b>	<b>–</b>	<b>–</b>	<b>916</b>	<b>–</b>	<b>–</b>	<b>916</b>	<b>55 624</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>47 222</b>	<b>–</b>	<b>–</b>	<b>916</b>	<b>–</b>	<b>–</b>	<b>916</b>	<b>48 138</b>
Compensation of employees	38 606	–	–	916	–	–	916	39 522
Goods and services	8 616	–	–	–	–	–	–	8 616
<b>Transfers and subsidies</b>	<b>6 322</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6 322</b>
Foreign governments and international organisations	6 322	–	–	–	–	–	–	6 322
<b>Payments for capital assets</b>	<b>1 164</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 164</b>
Machinery and equipment	1 164	–	–	–	–	–	–	1 164
<b>Total</b>	<b>54 708</b>	<b>–</b>	<b>–</b>	<b>916</b>	<b>–</b>	<b>–</b>	<b>916</b>	<b>55 624</b>

**Programme 4: Domestic Tourism**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Domestic Tourism Management	13 814	–	–	513	–	–	513	14 327
Domestic Tourism Management: Southern Region	14 031	–	–	459	–	–	459	14 490
Domestic Tourism Management: Northern Region	15 259	–	–	486	–	–	486	15 745
Social Responsibility Implementation	386 108	–	–	486	–	–	486	386 594
Strategic Partners in Tourism	15 527	–	–	–	–	–	–	15 527
<b>Total</b>	<b>444 739</b>	<b>–</b>	<b>–</b>	<b>1 944</b>	<b>–</b>	<b>–</b>	<b>1 944</b>	<b>446 683</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>256 758</b>	<b>–</b>	<b>–</b>	<b>10 749</b>	<b>–</b>	<b>–</b>	<b>10 749</b>	<b>267 507</b>
Compensation of employees	53 880	–	–	1 944	–	–	1 944	55 824
Goods and services	202 878	–	–	8 805	–	–	8 805	211 683
<b>Transfers and subsidies</b>	<b>82 353</b>	<b>–</b>	<b>–</b>	<b>(28 979)</b>	<b>–</b>	<b>–</b>	<b>(28 979)</b>	<b>53 374</b>
Departmental agencies and accounts	4 392	–	–	–	–	–	–	4 392
Public corporations and private enterprises	600	–	–	–	–	–	–	600
Non-profit institutions	16 027	–	–	–	–	–	–	16 027
Households	61 334	–	–	(28 979)	–	–	(28 979)	32 355
<b>Payments for capital assets</b>	<b>105 628</b>	<b>–</b>	<b>–</b>	<b>20 174</b>	<b>–</b>	<b>–</b>	<b>20 174</b>	<b>125 802</b>
Buildings and other fixed structures	104 651	–	–	20 174	–	–	20 174	124 825
Machinery and equipment	977	–	–	–	–	–	–	977
<b>Total</b>	<b>444 739</b>	<b>–</b>	<b>–</b>	<b>1 944</b>	<b>–</b>	<b>–</b>	<b>1 944</b>	<b>446 683</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

Programmes					
1. Administration					
2. Policy and Knowledge Services					
3. International Tourism					
4. Domestic Tourism					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>			<b>Programme 2</b>		
Goods and services	Reclassification of funds in line with the guidelines of the standard chart of accounts	(68 221)	Buildings and other fixed structures	Reclassification of funds in line with the guidelines of the standard chart of accounts	68 221
Public corporations and private enterprises	Reclassification of funds in line with the guidelines of the standard chart of accounts <sup>1</sup>	(25 795)	Buildings and other fixed structures	Reclassification of funds in line with the guidelines of the standard chart of accounts <sup>1</sup>	25 795
	Reallocation of funds from the tourism incentive programme due to retention fees for the energy efficiency project due in 2017/18 <sup>2</sup>	(1 140)	Compensation of employees	Performance bonuses, merit assessments, and pay progressions <sup>2</sup>	1 140
	Reallocation of funds from the tourism incentive programme as retention fees for the energy efficiency project are due only in 2017/18 <sup>2</sup>	(1 944)	<b>Programme 4</b>		1 944
	Reallocation of funds from the tourism incentive programme as retention fees for the energy efficiency project are due only in 2017/18 <sup>2</sup>	(916)	Compensation of employees	Performance bonuses, merit assessments, and pay progressions <sup>2</sup>	1 944
			<b>Programme 3</b>		916
			Compensation of employees	Performance bonuses, merit assessments, and pay progressions <sup>2</sup>	916
Shifts within the programme as a percentage of the programme budget		7.5%			
Virements to other programmes as a percentage of the programme budget		0.2%			
<b>Programme 4</b>			<b>Programme 4</b>		
Goods and services	Reclassification of funds in line with the guidelines of the standard chart of accounts	(8 021)	Households	Reclassification of funds in line with the guidelines of the standard chart of accounts	8 021
	Reclassification of funds in line with the guidelines of the standard chart of accounts	(17 892)	Buildings and other fixed structures	Reclassification of funds in line with the guidelines of the standard chart of accounts	17 892
Households	Reclassification of funds in line with the guidelines of the standard chart of accounts	(2 282)	Buildings and other fixed structures	Reclassification of funds in line with the guidelines of the standard chart of accounts	2 282
	Reclassification of funds in line with the guidelines of the standard chart of accounts	(34 718)	Goods and services	Reclassification of funds in line with the guidelines of the standard chart of accounts	34 718
Shifts within the programme as a percentage of the programme budget		14.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(160 929)</b>	<b>160 929</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	adjusted appropriation % of	Apr 15 - Mar 16	adjusted appropriation % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	adjusted appropriation % of	
R thousand										
Administration	233 656	103 109	44.1	224 811	96.2	237 456	11.8	100 090	42.2	
Policy and Knowledge Services	1 206 214	654 355	54.2	1 195 525	99.1	1 269 753	63.2	797 689	62.8	
International Tourism	47 308	27 504	58.1	49 928	105.5	55 624	2.8	29 308	52.7	
Domestic Tourism	307 000	147 358	48.0	307 130	100.0	446 683	22.2	79 963	17.9	
<b>Total</b>	<b>1 794 178</b>	<b>932 326</b>	<b>52.0</b>	<b>1 777 394</b>	<b>99.1</b>	<b>2 009 516</b>	<b>100.0</b>	<b>1 007 050</b>	<b>50.1</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>559 044</b>	<b>182 871</b>	<b>32.7</b>	<b>452 618</b>	<b>81.0</b>	<b>615 647</b>	<b>30.6</b>	<b>194 616</b>	<b>31.6</b>	
Compensation of employees	250 051	124 213	49.7	252 906	101.1	269 541	13.4	130 799	48.5	
Goods and services	308 993	58 658	19.0	199 712	64.6	346 106	17.2	63 817	18.4	
<b>Transfers and subsidies</b>	<b>1 229 041</b>	<b>746 627</b>	<b>60.7</b>	<b>1 230 784</b>	<b>100.1</b>	<b>1 167 309</b>	<b>58.1</b>	<b>785 836</b>	<b>67.3</b>	
Departmental agencies and accounts	1 077 478	628 347	58.3	1 045 570	97.0	1 029 424	51.2	760 811	73.9	
Higher education institutions	3 809	–	–	3 800	99.8	4 011	0.2	–	–	
Foreign governments and international organisations	6 004	5 810	96.8	5 810	96.8	6 322	0.3	6 369	100.7	
Public corporations and private enterprises	–	–	–	72 915	–	79 170	3.9	9 470	12.0	
Non-profit institutions	14 750	11 193	75.9	24 200	164.1	16 027	0.8	200	1.2	
Households	127 000	101 277	79.7	78 489	61.8	32 355	1.6	8 986	27.8	
<b>Payments for capital assets</b>	<b>6 093</b>	<b>2 828</b>	<b>46.4</b>	<b>93 413</b>	<b>1533.1</b>	<b>226 560</b>	<b>11.3</b>	<b>26 509</b>	<b>11.7</b>	
Buildings and other fixed structures	–	–	–	87 160	–	218 841	10.9	23 347	10.7	
Machinery and equipment	5 750	2 749	47.8	6 211	108.0	7 308	0.4	3 002	41.1	
Software and other intangible assets	343	79	23.0	42	12.2	411	–	160	38.9	
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>579</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>89</b>	<b>–</b>	
<b>Total</b>	<b>1 794 178</b>	<b>932 326</b>	<b>52.0</b>	<b>1 777 394</b>	<b>99.1</b>	<b>2 009 516</b>	<b>100.0</b>	<b>1 007 050</b>	<b>50.1</b>	

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.1 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R1 million, or 50.1 per cent of the adjusted appropriation of R2 billion for the year. In comparison, mid-year expenditure in 2015/16 was R932.3 million or 52 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R74.7 million, or 8 per cent. This was mainly due to the transfer payment made to South African Tourism for purchases paid for in foreign currency.

### Departmental receipts

Programme	2015/16 Audited outcome					2016/17 Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	adjusted estimate % of	Apr 15 - Mar 16	adjusted estimate % of	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	adjusted estimate % of
R thousand										
<b>Departmental receipts</b>	<b>1 864</b>	<b>938</b>	<b>50.3</b>	<b>6 770</b>	<b>363.2</b>	<b>1 832</b>	<b>5 274</b>	<b>100.0</b>	<b>4 667</b>	<b>88.5</b>
Sales of goods and services produced by department	168	84	50.0	165	98.2	162	164	3.1	78	47.6
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	–	10	0.2	6	60.0
Interest, dividends and rent on land	11	5	45.5	559	5 081.8	15	60	1.1	52	86.7
Sales of capital assets	135	68	50.4	84	62.2	25	40	0.8	22	55.0
Transactions in financial assets and liabilities	1 550	781	50.4	5 962	384.6	1 630	5 000	94.8	4 509	90.2
<b>Total</b>	<b>1 864</b>	<b>938</b>	<b>50.3</b>	<b>6 770</b>	<b>363.2</b>	<b>1 832</b>	<b>5 274</b>	<b>100.0</b>	<b>4 667</b>	<b>88.5</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R4.7 million, or 88.5 per cent of the adjusted revenue estimate of R5.3 million for the year. In comparison, mid-year revenue in 2015/16 was R938 000, or 50.3 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R3.7 million, or 397.5 per cent. This was mainly due to debt recovered in relation to expenditure from previous years.

## Changes to transfers and subsidies

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

R thousand	Main appropriation	2016/17 Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Policy and Knowledge Services</b>								
<b>Public corporations and private enterprises</b>								
<b>Private enterprises</b>								
<b>Other transfers</b>								
<b>Current</b>	<b>108 365</b>	–	–	<b>(29 795)</b>	–	–	<b>(29 795)</b>	<b>78 570</b>
Tourism incentive programme	108 365	–	–	(29 795)	–	–	(29 795)	78 570
<b>Domestic Tourism</b>								
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	<b>61 334</b>	–	–	<b>(28 979)</b>	–	–	<b>(28 979)</b>	<b>32 355</b>
Expanded public works programme	–	–	–	8 021	–	–	8 021	8 021
Expanded public works programme incentive	61 334	–	–	(37 000)	–	–	(37 000)	24 334

# Vote 34

## Trade and Industry

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>10 327 517</b>	<b>10 389 517</b>	<b>-</b>	<b>62 000</b>
<b>of which:</b>				
Current payments	1 529 002	1 582 199	-	53 197
Transfers and subsidies	8 765 332	8 774 015	-	8 683
Payments for capital assets	33 183	33 303	-	120
Executive authority	Minister of Trade and Industry			
Accounting officer	Director-General of Trade and Industry			
Website address	www.thedti.gov.za			

### Vote purpose

*Lead and facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of quarterly reports on industrial policy action plan tabled at ministerial review meetings	Industrial Development	Outcome 4: Decent employment through inclusive economic growth	4	1	-
Number of designation requests submitted per year	Industrial development		4	1	-
Value of projected investment to be leveraged from projects approved per year	Incentive Development and Administration		R20bn	R25bn	-
Projected number of new jobs supported from approved enterprises per year	Incentive Development and Administration		3 600	8 316	-
Projected number of jobs retained from approved enterprises per year	Incentive Development and Administration		3 600	39 557	-
Number of strategic infrastructure projects approved for special economic zones/industrial parks per year	Incentive Development and Administration		15	10	-
Value of projected export revenue from projects approved per year	Incentive Development and Administration		R800m	R7.1bn	-

### Mid-year progress

In the first six months of 2016/17, the department leveraged R25 billion of private sector investment, exceeding the annual target of R20 billion. This was due to the high number of investment approvals granted for projects supported by the manufacturing incentive programmes such as the automotive incentive scheme and the critical infrastructure programme. These include the automotive projects with Toyota and Ford, the titanium dioxide project and the Nokeng fluorspar mining project.

In relation to the targets for the number of jobs created and jobs sustained, the approved projects under the automotive incentive schemes are expected to both create and retain a high number of jobs due to the scale

of these investments. This has led to the department exceeding the targets for new jobs to be created by 4 716, and jobs to be retained by 35 957.

Regarding the target for export revenue, the business process off-shoring incentive has attracted major investment such as Xerox and EXL Services, which have set up businesses in South Africa. These approvals resulted in the department exceeding its annual target by R6.3 billion.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	736 625	-	-	(21 536)	-	62 000	40 464	777 089
International Trade and Economic Development	126 383	-	-	(7 664)	-	-	(7 664)	118 719
Special Economic Zones and Economic Transformation	108 282	-	-	12 383	-	1 227	13 610	121 892
Industrial Development	1 735 679	-	-	(7 425)	-	(1 227)	(8 652)	1 727 027
Consumer and Corporate Regulation	313 525	-	-	(19 189)	-	-	(19 189)	294 336
Incentive Development and Administration	6 922 407	-	-	(30 698)	-	-	(30 698)	6 891 709
Trade Export South Africa	336 539	-	-	74 383	-	-	74 383	410 922
Investment South Africa	48 077	-	-	(254)	-	-	(254)	47 823
<b>Total</b>	<b>10 327 517</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62 000</b>	<b>62 000</b>	<b>10 389 517</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 529 002</b>	<b>-</b>	<b>-</b>	<b>(8 803)</b>	<b>-</b>	<b>62 000</b>	<b>53 197</b>	<b>1 582 199</b>
Compensation of employees	930 311	-	-	-	-	-	-	930 311
Goods and services	598 691	-	-	(8 803)	-	62 000	53 197	651 888
<b>Transfers and subsidies</b>	<b>8 765 332</b>	<b>-</b>	<b>-</b>	<b>8 683</b>	<b>-</b>	<b>-</b>	<b>8 683</b>	<b>8 774 015</b>
Departmental agencies and accounts	601 404	-	-	254 630	-	-	254 630	856 034
Higher education institutions	3	-	-	-	-	-	-	3
Foreign governments and international organisations	33 585	-	-	(1 014)	-	-	(1 014)	32 571
Public corporations and private enterprises	7 970 182	-	-	(249 796)	-	-	(249 796)	7 720 386
Non-profit institutions	158 107	-	-	5 000	-	-	5 000	163 107
Households	2 051	-	-	(137)	-	-	(137)	1 914
<b>Payments for capital assets</b>	<b>33 183</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>33 303</b>
Machinery and equipment	20 596	-	-	4 840	-	-	4 840	25 436
Software and other intangible assets	12 587	-	-	(4 720)	-	-	(4 720)	7 867
<b>Total</b>	<b>10 327 517</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62 000</b>	<b>62 000</b>	<b>10 389 517</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	33 989	-	-	(1 467)	-	-	(1 467)	32 522
Office of the Director General	114 600	-	-	(7 560)	-	-	(7 560)	107 040
Corporate Services	421 242	-	-	5 881	-	62 000	67 881	489 123
Office Accommodation	2 427	-	-	442	-	-	442	2 869
Financial Management	69 425	-	-	3 648	-	-	3 648	73 073
Media and Public Relations	18 830	-	-	(8 475)	-	-	(8 475)	10 355
Marketing Communication and Stakeholder Relations	76 112	-	-	(14 005)	-	-	(14 005)	62 107
<b>Total</b>	<b>736 625</b>	<b>-</b>	<b>-</b>	<b>(21 536)</b>	<b>-</b>	<b>62 000</b>	<b>40 464</b>	<b>777 089</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>718 988</b>	<b>-</b>	<b>-</b>	<b>(22 276)</b>	<b>-</b>	<b>62 000</b>	<b>39 724</b>	<b>758 712</b>
Compensation of employees	310 050	-	-	(20 329)	-	-	(20 329)	289 721
Goods and services	408 938	-	-	(1 947)	-	62 000	60 053	468 991
<b>Transfers and subsidies</b>	<b>1 251</b>	<b>-</b>	<b>-</b>	<b>(464)</b>	<b>-</b>	<b>-</b>	<b>(464)</b>	<b>787</b>
Households	1 251	-	-	(464)	-	-	(464)	787
<b>Payments for capital assets</b>	<b>16 386</b>	<b>-</b>	<b>-</b>	<b>1 204</b>	<b>-</b>	<b>-</b>	<b>1 204</b>	<b>17 590</b>
Machinery and equipment	13 769	-	-	1 448	-	-	1 448	15 217
Software and other intangible assets	2 617	-	-	(244)	-	-	(244)	2 373
<b>Total</b>	<b>736 625</b>	<b>-</b>	<b>-</b>	<b>(21 536)</b>	<b>-</b>	<b>62 000</b>	<b>40 464</b>	<b>777 089</b>

**Programme 2: International Trade and Economic Development**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
International Trade Development	108 276	-	-	(7 303)	-	-	(7 303)	100 973
African Multilateral Economic Development	18 107	-	-	(361)	-	-	(361)	17 746
<b>Total</b>	<b>126 383</b>	<b>-</b>	<b>-</b>	<b>(7 664)</b>	<b>-</b>	<b>-</b>	<b>(7 664)</b>	<b>118 719</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>100 862</b>	<b>-</b>	<b>-</b>	<b>(7 234)</b>	<b>-</b>	<b>-</b>	<b>(7 234)</b>	<b>93 628</b>
Compensation of employees	82 406	-	-	(5 000)	-	-	(5 000)	77 406
Goods and services	18 456	-	-	(2 234)	-	-	(2 234)	16 222
<b>Transfers and subsidies</b>	<b>24 722</b>	<b>-</b>	<b>-</b>	<b>(300)</b>	<b>-</b>	<b>-</b>	<b>(300)</b>	<b>24 422</b>
Departmental agencies and accounts	1 131	-	-	-	-	-	-	1 131
Foreign governments and international organisations	19 427	-	-	(300)	-	-	(300)	19 127
Public corporations and private enterprises	4 164	-	-	-	-	-	-	4 164
<b>Payments for capital assets</b>	<b>799</b>	<b>-</b>	<b>-</b>	<b>(130)</b>	<b>-</b>	<b>-</b>	<b>(130)</b>	<b>669</b>
Machinery and equipment	799	-	-	(130)	-	-	(130)	669
<b>Total</b>	<b>126 383</b>	<b>-</b>	<b>-</b>	<b>(7 664)</b>	<b>-</b>	<b>-</b>	<b>(7 664)</b>	<b>118 719</b>

**Programme 3: Special Economic Zones and Economic Transformation**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Enterprise Competitiveness	26 187	-	-	500	-	-	500	26 687
Equity and Empowerment	35 731	-	-	13 717	-	-	13 717	49 448
Spatial Industrial Economic Development (Special Economic Zones)	46 364	-	-	(1 834)	-	1 227	(607)	45 757
<b>Total</b>	<b>108 282</b>	<b>-</b>	<b>-</b>	<b>12 383</b>	<b>-</b>	<b>1 227</b>	<b>13 610</b>	<b>121 892</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>97 392</b>	<b>-</b>	<b>-</b>	<b>8 020</b>	<b>-</b>	<b>1 227</b>	<b>9 247</b>	<b>106 639</b>
Compensation of employees	63 573	-	-	10 000	-	-	10 000	73 573
Goods and services	33 819	-	-	(1 980)	-	1 227	(753)	33 066
<b>Transfers and subsidies</b>	<b>10 178</b>	<b>-</b>	<b>-</b>	<b>1 300</b>	<b>-</b>	<b>-</b>	<b>1 300</b>	<b>11 478</b>
Departmental agencies and accounts	8 523	-	-	-	-	-	-	8 523
Public corporations and private enterprises	1 655	-	-	-	-	-	-	1 655
Non-profit institutions	-	-	-	1 000	-	-	1 000	1 000
Households	-	-	-	300	-	-	300	300
<b>Payments for capital assets</b>	<b>712</b>	<b>-</b>	<b>-</b>	<b>3 063</b>	<b>-</b>	<b>-</b>	<b>3 063</b>	<b>3 775</b>
Machinery and equipment	712	-	-	2 863	-	-	2 863	3 575
Software and other intangible assets	-	-	-	200	-	-	200	200
<b>Total</b>	<b>108 282</b>	<b>-</b>	<b>-</b>	<b>12 383</b>	<b>-</b>	<b>1 227</b>	<b>13 610</b>	<b>121 892</b>

**Programme 4: Industrial Development**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Industrial Competitiveness	685 421	-	-	212	-	-	212	685 633
Customised Sector Programmes	1 050 258	-	-	(7 637)	-	(1 227)	(8 664)	1 041 394
<b>Total</b>	<b>1 735 679</b>	<b>-</b>	<b>-</b>	<b>(7 425)</b>	<b>-</b>	<b>(1 227)</b>	<b>(8 652)</b>	<b>1 727 027</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>132 317</b>	<b>-</b>	<b>-</b>	<b>(15 878)</b>	<b>-</b>	<b>(1 227)</b>	<b>(17 105)</b>	<b>115 212</b>
Compensation of employees	112 191	-	-	(7 000)	-	-	(7 000)	105 191
Goods and services	20 126	-	-	(8 878)	-	(1 227)	(10 105)	10 021

**Programme 4: Industrial Development (continued)**

Economic classification		2016/17						
		Adjustments appropriation					Total	Adjusted
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
<b>Transfers and subsidies</b>	<b>1 602 577</b>	-	-	<b>7 854</b>	-	-	<b>7 854</b>	<b>1 610 431</b>
Departmental agencies and accounts	372 819	-	-	-	-	-	-	372 819
Higher education institutions	3	-	-	-	-	-	-	3
Foreign governments and international organisations	6 459	-	-	2 058	-	-	2 058	8 517
Public corporations and private enterprises	1 065 189	-	-	1 782	-	-	1 782	1 066 971
Non-profit institutions	158 107	-	-	4 000	-	-	4 000	162 107
Households	-	-	-	14	-	-	14	14
<b>Payments for capital assets</b>	<b>785</b>	-	-	<b>599</b>	-	-	<b>599</b>	<b>1 384</b>
Machinery and equipment	785	-	-	599	-	-	599	1 384
<b>Total</b>	<b>1 735 679</b>	-	-	<b>(7 425)</b>	-	<b>(1 227)</b>	<b>(8 652)</b>	<b>1 727 027</b>

**Programme 5: Consumer and Corporate Regulation**

Subprogramme		2016/17						
		Adjustments appropriation					Total	Adjusted
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
Policy and Legislative Development	21 427	-	-	(6 495)	-	-	(6 495)	14 932
Enforcement and Compliance	46 495	-	-	(4 847)	-	-	(4 847)	41 648
Regulatory Services	245 603	-	-	(7 847)	-	-	(7 847)	237 756
<b>Total</b>	<b>313 525</b>	-	-	<b>(19 189)</b>	-	-	<b>(19 189)</b>	<b>294 336</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>89 567</b>	-	-	<b>(17 876)</b>	-	-	<b>(17 876)</b>	<b>71 691</b>
Compensation of employees	71 139	-	-	(8 316)	-	-	(8 316)	62 823
Goods and services	18 428	-	-	(9 560)	-	-	(9 560)	8 868
<b>Transfers and subsidies</b>	<b>223 858</b>	-	-	<b>(1 357)</b>	-	-	<b>(1 357)</b>	<b>222 501</b>
Departmental agencies and accounts	218 931	-	-	(1 370)	-	-	(1 370)	217 561
Foreign governments and international organisations	4 927	-	-	-	-	-	-	4 927
Households	-	-	-	13	-	-	13	13
<b>Payments for capital assets</b>	<b>100</b>	-	-	<b>44</b>	-	-	<b>44</b>	<b>144</b>
Machinery and equipment	100	-	-	44	-	-	44	144
<b>Total</b>	<b>313 525</b>	-	-	<b>(19 189)</b>	-	-	<b>(19 189)</b>	<b>294 336</b>

**Programme 6: Incentive Development and Administration**

Subprogramme		2016/17						
		Adjustments appropriation					Total	Adjusted
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
Broadening Participation Incentives	65 010	-	-	259	-	-	259	65 269
Manufacturing Incentives	4 490 875	-	-	(23 831)	-	-	(23 831)	4 467 044
Services Investment Incentives	615 254	-	-	(1 478)	-	-	(1 478)	613 776
Infrastructure Investment Support	1 711 642	-	-	(225)	-	-	(225)	1 711 417
Product and Systems Development	18 192	-	-	(2 325)	-	-	(2 325)	15 867
Strategic Partnership and Customer Care	21 434	-	-	(3 098)	-	-	(3 098)	18 336
<b>Total</b>	<b>6 922 407</b>	-	-	<b>(30 698)</b>	-	-	<b>(30 698)</b>	<b>6 891 709</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>182 029</b>	-	-	<b>(30 460)</b>	-	-	<b>(30 460)</b>	<b>151 569</b>
Compensation of employees	147 829	-	-	(16 875)	-	-	(16 875)	130 954
Goods and services	34 200	-	-	(13 585)	-	-	(13 585)	20 615
<b>Transfers and subsidies</b>	<b>6 728 408</b>	-	-	<b>4 422</b>	-	-	<b>4 422</b>	<b>6 732 830</b>
Departmental agencies and accounts	-	-	-	256 000	-	-	256 000	256 000
Public corporations and private enterprises	6 727 608	-	-	(251 578)	-	-	(251 578)	6 476 030
Households	800	-	-	-	-	-	-	800
<b>Payments for capital assets</b>	<b>11 970</b>	-	-	<b>(4 660)</b>	-	-	<b>(4 660)</b>	<b>7 310</b>
Machinery and equipment	2 000	-	-	16	-	-	16	2 016
Software and other intangible assets	9 970	-	-	(4 676)	-	-	(4 676)	5 294
<b>Total</b>	<b>6 922 407</b>	-	-	<b>(30 698)</b>	-	-	<b>(30 698)</b>	<b>6 891 709</b>

**Programme 7: Trade Export South Africa**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
African Bilateral Economic Development	21 167	–	–	1 166	–	–	1 166	22 333
Export Promotion and Marketing	40 294	–	–	2 642	–	–	2 642	42 936
Trade Export South Africa	257 351	–	–	71 162	–	–	71 162	328 513
Executive Management Unit								
Export Development and Support	17 727	–	–	(587)	–	–	(587)	17 140
<b>Total</b>	<b>336 539</b>	<b>–</b>	<b>–</b>	<b>74 383</b>	<b>–</b>	<b>–</b>	<b>74 383</b>	<b>410 922</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>160 148</b>	<b>–</b>	<b>–</b>	<b>77 155</b>	<b>–</b>	<b>–</b>	<b>77 155</b>	<b>237 303</b>
Compensation of employees	112 103	–	–	47 520	–	–	47 520	159 623
Goods and services	48 045	–	–	29 635	–	–	29 635	77 680
<b>Transfers and subsidies</b>	<b>174 338</b>	<b>–</b>	<b>–</b>	<b>(2 772)</b>	<b>–</b>	<b>–</b>	<b>(2 772)</b>	<b>171 566</b>
Foreign governments and international organisations	2 772	–	–	(2 772)	–	–	(2 772)	–
Public corporations and private enterprises	171 566	–	–	–	–	–	–	171 566
<b>Payments for capital assets</b>	<b>2 053</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 053</b>
Machinery and equipment	2 053	–	–	–	–	–	–	2 053
<b>Total</b>	<b>336 539</b>	<b>–</b>	<b>–</b>	<b>74 383</b>	<b>–</b>	<b>–</b>	<b>74 383</b>	<b>410 922</b>

**Programme 8: Investment South Africa**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Investment Promotion	40 055	–	–	(254)	–	–	(254)	39 801
Investment and Inter-Departmental Clearing House	4 011	–	–	–	–	–	–	4 011
Investment Support and After Care	4 011	–	–	–	–	–	–	4 011
<b>Total</b>	<b>48 077</b>	<b>–</b>	<b>–</b>	<b>(254)</b>	<b>–</b>	<b>–</b>	<b>(254)</b>	<b>47 823</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>47 699</b>	<b>–</b>	<b>–</b>	<b>(254)</b>	<b>–</b>	<b>–</b>	<b>(254)</b>	<b>47 445</b>
Compensation of employees	31 020	–	–	–	–	–	–	31 020
Goods and services	16 679	–	–	(254)	–	–	(254)	16 425
<b>Payments for capital assets</b>	<b>378</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>378</b>
Machinery and equipment	378	–	–	–	–	–	–	378
<b>Total</b>	<b>48 077</b>	<b>–</b>	<b>–</b>	<b>(254)</b>	<b>–</b>	<b>–</b>	<b>(254)</b>	<b>47 823</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

- Administration
- International Trade and Economic Development
- Special Economic Zones and Economic Transformation
- Industrial Development
- Consumer and Corporate Regulation
- Incentive Development and Administration
- Trade Export South Africa
- Investment South Africa

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(32 009)</b>	<b>Programme 1</b>		<b>1 881</b>
Goods and services	Cost containment measures effected on travel and subsistence, and business and advisory services	(1 720)	Machinery and equipment	Vehicle for the minister and the replacement of ageing computer equipment	1 720
	Reduction in spending on property management				

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Households	Cost containment measures effected on travel and subsistence	(161)	Households	Leave gratuities	161
	Reallocation of funds from printing and publications due to cost containment measures effected		<b>Programme 4</b>		<b>4 000</b>
	Cost containment measures effected on consultants	(4 000)	Non-profit institutions	Research on capacity building, policy briefs and development dialogues to be undertaken by Trade and Industrial Policy Strategies	4 000
	Cost containment measures effected on travel and subsistence, operating payments and communications	(500)	<b>Programme 5</b>		<b>500</b>
	Reallocation of funds from consultants and advisory services due to the delayed appointment of a public relations company	(1 650)	Goods and services	Research to be conducted on the level of indebtedness of South African tertiary students	500
	Cost containment measures effected on travel and subsistence, operating payments and communications	(2 485)	<b>Programme 6</b>		<b>1 650</b>
	Reallocation of funds due to a lower intake of bursaries for non-employees	(23)	Public corporations and private enterprises	Support for Export Market and Investment Assistance due to an increase in applications	1 650
	Reallocation of funds due to a lower intake of bursaries for non-employees	(602)	<b>Programme 7</b>		<b>2 485</b>
			Goods and services	Foreign vouchers for travel and subsistence and other allowances payable to posted foreign officials	2 485
			<b>Programme 1</b>		<b>1 164</b>
Software and other intangible assets	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(244)	Machinery and equipment	Replacement of ageing computer equipment	23
Machinery and equipment	Reallocation of funds due to reduced spending on computer hardware, desktops and laptops <sup>1</sup>	(295)	Goods and services	Payment to the Department of Public Works for office accommodation in the department's regional offices, ICT services and renewal of licence	602
Compensation of employees	Realignment of personnel budget to PERSAL	(20 329)	Goods and services	Payment to the Department of Public Works for office accommodation in the department's regional offices	244
			Compensation of employees	Computer software	295
			<b>Programme 7</b>		<b>20 329</b>
			Compensation of employees	Realignment of personnel budget for the inclusion of locally recruited personnel in the foreign offices	20 329
Shifts within the programme as a percentage of the programme budget		0.4%			
Virements to other programmes as a percentage of the programme budget		3.9%			
<b>Programme 2</b>		<b>(8 094)</b>	<b>Programme 1</b>		<b>517</b>
Goods and services	Reallocation due to funds for stationery being centralised	(517)	Goods and services	Centralisation of the stationery budget	517
	Cost containment measures effected on legal advice services	(2 147)	<b>Programme 7</b>		<b>2 147</b>
			Goods and services	Foreign vouchers for travel and subsistence and other allowances payable to officials posted to foreign offices	2 147
Machinery and equipment	Reduced spending on computer hardware, and desktop and laptop computers <sup>1</sup>	(130)	<b>Programme 2</b>		<b>430</b>
Foreign governments and international organisations	Reduced spending due to the lower than anticipated transfer payment to the Organisation for the Prohibition of Chemical Weapons <sup>1</sup>	(300)	Goods and services	Contributions to the Southern African Customs Union summit scheduled for 2016/17	130
			Goods and services	Contributions to the Southern African Customs Union summit scheduled for 2016/17	300

<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
Compensation of employees	Realignment of the personnel budget to PERSAL	(5 000)	<b>Programme 7</b>		<b>5 000</b>
			Compensation of employees	Realignment of personnel budget for the inclusion of locally recruited personnel deployed to foreign offices	5 000
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>6.1%</b>			
<b>Programme 3</b>		<b>(5 412)</b>	<b>Programme 1</b>		<b>1 049</b>
Goods and services	Reallocation due to funds for stationery being centralised	(1 049)	Goods and services	Centralisation of the stationery budget	1 049
	Reallocation of funds from consultants and advisory services due to delayed projects			Infrastructure for setting up the Broad-Based Black Economic Empowerment Commission	
	Reallocation of funds from consultants and advisory services due to delayed projects	(597)	<b>Programme 3</b>		<b>4 363</b>
	Reallocation of funds from consultants and advisory services due to delayed projects	(2 266)	Machinery and equipment	Replacement of ageing computer equipment	597
	Reallocation of funds from consultants and advisory services due to delayed projects	(1 000)	Machinery and equipment	Infrastructure for the Broad-Based Black Empowerment Commission <sup>1</sup>	2 266
	Cost containment measures effected on consultants	(200)	Non-profit institutions	The Black Business Council for advocacy work on B-BBEE legislation	1 000
	Cost containment measures effected on consultants	(100)	Households	Progressive Youth in Business	200
	Reallocation of funds from consultants and advisory services due to delayed projects	(200)	Households	The 2016 South African Innovation Summit to promote industrialisation, manufacturing and economic growth	100
			Software and other intangible assets	Computer software for the B-BBEE Commission	200
Shifts within the programme as a percentage of the programme budget		4.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.0%</b>			
<b>Programme 4</b>		<b>(17 600)</b>	<b>Programme 1</b>		<b>669</b>
Goods and services	Reallocation due to funds for stationery being centralised	(669)	Goods and services	Centralisation of the stationery budget	669
	Reallocation of funds from consultants and advisory services due to delays in finalising the service level agreement for research on the industrial participation database system, and the green transport study	(599)	<b>Programme 4</b>		<b>949</b>
	Reallocation of funds from consultants and advisory services due to delays in finalising the service level agreement for research on the industrial participation database system, and the green transport study	(14)	Machinery and equipment	Replacement of ageing computer equipment	599
	Reallocation of funds from consultants and advisory services due to delays in finalising the service level agreement for research on the industrial participation database system, and the green transport study	(336)	Households	Leave gratuities	14
			Foreign governments and international organisations	Various institutions for the Treaty Organisation for Metrology for the difference between exchange rate projections when the department compiled its budget, and the prevailing foreign exchange rate when payments are processed <sup>1</sup>	336

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
			<b>Programme 7</b>		<b>7 260</b>
	Reallocation of funds from catering, communication consultants, contractors, stationery, travel and subsistence, and venues and facilities, and business advisory services due to cost containment measures	(7 260)	Goods and services	Foreign vouchers for travel and subsistence and other allowances payable to posted foreign officials	7 260
			<b>Programme 4</b>		<b>1 722</b>
Public corporations and private enterprises	Reclassification of transfer payment from South Bureau of Standards <sup>1</sup>	(1 722)	Foreign governments and international organisations	Reclassification of transfer payment to various institutions for the Treaty Organisation for Metrology <sup>1</sup>	1 722
			<b>Programme 7</b>		<b>7 000</b>
Compensation of employees	Realignment of the personnel budget to PERSAL	(7 000)	Compensation of employees	Realignment of the personnel budget for the inclusion of locally recruited personnel in the foreign offices	7 000
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>0.9%</b>			
<b>Programme 5</b>		<b>(21 880)</b>	<b>Programme 1</b>		<b>761</b>
Goods and services	Reallocation due to funds for stationery being centralised	(761)	Goods and services	Centralisation of the stationery budget	761
	Cost containment measures effected on travel and subsistence	(44)	<b>Programme 5</b>		<b>2 191</b>
	Reallocation of funds from travel and subsistence due to the cancellation of parliamentary meetings	(5)	Machinery and equipment	Replacement of ageing computer equipment	44
	Cost containment measures effected on travel and subsistence	(8)	Households	Leave gratuities	5
	Reallocation of funds from travel and subsistence due to the cancellation of parliamentary meetings	(2 134)	Households	Leave gratuities	8
	Reallocation of funds from consultant and business advisory services, and travel and subsistence, advertising, stationery, and venues	(7 108)	Departmental agencies and accounts	Establishment of an inquiry panel to investigate allegations of unfair labour and business practices in the vacation ownership and timeshare industry	2 134
			<b>Programme 7</b>		<b>7 108</b>
Departmental agencies and accounts	Reduced spending on the transfer payment to the National Consumer Commission	(3 504)	Goods and services	Foreign vouchers for travel and subsistence and other allowances payable to posted foreign officials	7 108
			<b>Programme 4</b>		<b>3 504</b>
Compensation of employees	Realignment of the personnel budget to PERSAL	(8 316)	Public corporations and private enterprises	Office accommodation for the National Consumer Commission within the South African Bureau of Standards <sup>1</sup>	3 504
			<b>Programme 7</b>		<b>8 316</b>
			Compensation of employees	Realignment of the personnel budget for the inclusion of locally recruited personnel in the foreign offices	8 316
Shifts within the programme as a percentage of the programme budget		0.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>6.3%</b>			
<b>Programme 6</b>		<b>(356 704)</b>	<b>Programme 1</b>		<b>1 993</b>
Goods and services	Reallocation due to funds for stationery being centralised	(1 993)	Goods and services	Centralisation of the stationery budget	1 993
	Cost containment measures effected on venues and facilities	(3 432)	<b>Programme 3</b>		<b>3 432</b>
	Reallocation due to funds for stationery being centralised	(16)	Goods and services	Infrastructure for setting up the Broad-Based Black Economic Empowerment Commission	3 432
			<b>Programme 6</b>		<b>16</b>
			Machinery and equipment	Procurement of audio-visual equipment for employees with disabilities	16

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
		(12 820)	<b>Programme 7</b>		<b>12 820</b>
	Reallocation of funds from administrative fees, consultant, agency, legal services, contractors, consumables, stationery, travel and subsistence, operating payments and venues due to cost containment measures effected		Goods and services	Foreign vouchers for travel and subsistence and other allowances payable to posted foreign officials	12 820
				Establishment of Trade Invest Africa	
			<b>Programme 6</b>		<b>321 568</b>
Software and other intangible assets	Reallocation of funds from computer software due to a delay in the implementation of the integrated electronic management system <sup>1</sup>	(4 676)	Goods and services	Appointment of specialist skills consultants, and engineers	4 676
Public corporations and private enterprises	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(256 000)	Departmental agencies and accounts	Provision of support to the National Research Foundation for the technology and human resources for industry programme <sup>1</sup>	256 000
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(60 892)	Public corporations and private enterprises	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	60 892
Compensation of employees	Realignment of the personnel budget to PERSAL	(10 000)	<b>Programme 3</b>		<b>10 000</b>
	Realignment of the personnel budget to PERSAL	(6 875)	Compensation of employees	Realignment of the personnel budget to PERSAL	10 000
			<b>Programme 7</b>		<b>6 875</b>
			Compensation of employees	Realignment of the personnel budget for the inclusion of locally recruited personnel in the foreign offices	6 875
Shifts within the programme as a percentage of the programme budget		4.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.5%</b>			
<b>Programme 7</b>		<b>(4 957)</b>	<b>Programme 1</b>		<b>2 185</b>
Goods and services	Reallocation due to funds for stationery being centralised	(2 185)	Goods and services	Centralisation of the stationery budget	2 185
Foreign governments and international organisations	Reallocation of funds due to delays in establishing a trust fund agreement between the department and the World Bank that will provide support to South African companies	(2 772)	<b>Programme 6</b>		<b>2 772</b>
			Public corporations and private enterprises	Export Market and Investment Assistance for exploring new export markets <sup>1</sup>	2 772
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.5%</b>			
<b>Programme 8</b>		<b>(254)</b>	<b>Programme 1</b>		<b>254</b>
Goods and services	Reallocation due to funds for stationery being centralised	(254)	Goods and services	Centralisation of the stationery budget	254
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.5%</b>			
<b>Total</b>		<b>(446 910)</b>			<b>446 910</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Other adjustments – R62 million

### Funds shifted within a vote following a function shift – R1.227 million

#### Programme 3: Special Economic Zones and Transformation

R1.227 million has been transferred from the *Industrial Development* programme following the shift of the South African Council for Space Affairs to the *Spatial Industrial Economic Development* subprogramme in this programme.

**Self-financing expenditure – R62 million**

## Programme 1: Administration

R62 million has been received from the department's public entities for accommodation. The funds will be used to supplement payments due by the department for the public partnership contract for the campus, where the entities have their offices.

**Gifts, donations and sponsorships – R300 000**

## Programme 3: Special Economic Zones and Economic Transformation

The department made donations of R200 000 to the Progressive Youth in Business to contribute to youth economic empowerment, and R100 000 to the 2016 South African Innovation Summit, which will promote the role of innovation in both the public and private sectors.

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
Administration	768 304	344 802	44.9	727 561	94.7	777 089	7.5	346 918	44.6	
International Trade and Economic Development	116 576	54 102	46.4	113 560	97.4	118 719	1.1	49 358	41.6	
Special Economic Zones and Economic Transformation	89 704	36 627	40.8	92 524	103.1	121 892	1.2	46 791	38.4	
Industrial Development	1 964 268	1 096 300	55.8	1 953 616	99.5	1 727 027	16.6	1 065 621	61.7	
Consumer and Corporate Regulation	296 385	207 935	70.2	287 420	97.0	294 336	2.8	193 694	65.8	
Incentive Development and Administration	5 827 591	1 613 095	27.7	5 795 785	99.5	6 891 709	66.3	2 526 285	36.7	
Trade Export South Africa	386 762	250 340	64.7	463 235	119.8	410 922	4.0	291 633	71.0	
Investment South Africa	48 254	19 452	40.3	37 958	78.7	47 823	0.5	19 216	40.2	
<b>Total</b>	<b>9 497 844</b>	<b>3 622 653</b>	<b>38.1</b>	<b>9 471 659</b>	<b>99.7</b>	<b>10 389 517</b>	<b>100.0</b>	<b>4 539 516</b>	<b>43.7</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>1 560 988</b>	<b>723 463</b>	<b>46.3</b>	<b>1 485 652</b>	<b>95.2</b>	<b>1 582 199</b>	<b>15.2</b>	<b>728 390</b>	<b>46.0</b>	
Compensation of employees	897 730	436 363	48.6	874 175	97.4	930 311	9.0	454 160	48.8	
Goods and services	663 258	287 100	43.3	611 477	92.2	651 888	6.3	274 230	42.1	
<b>Transfers and subsidies</b>	<b>7 901 203</b>	<b>2 894 378</b>	<b>36.6</b>	<b>7 936 488</b>	<b>100.4</b>	<b>8 774 015</b>	<b>84.5</b>	<b>3 804 609</b>	<b>43.4</b>	
Departmental agencies and accounts	591 879	484 031	81.8	591 879	100.0	856 034	8.2	439 807	51.4	
Higher education institutions	3	-	-	-	-	3	-	-	-	
Foreign governments and international organisations	31 738	-	-	33 237	104.7	32 571	0.3	-	-	
Public corporations and private enterprises	7 128 588	2 317 323	32.5	7 157 693	100.4	7 720 386	74.3	3 296 385	42.7	
Non-profit institutions	146 600	90 758	61.9	148 850	101.5	163 107	1.6	67 000	41.1	
Households	2 395	2 266	94.6	4 829	201.6	1 914	-	1 417	74.0	
<b>Payments for capital assets</b>	<b>35 653</b>	<b>4 613</b>	<b>12.9</b>	<b>37 433</b>	<b>105.0</b>	<b>33 303</b>	<b>0.3</b>	<b>6 504</b>	<b>19.5</b>	
Machinery and equipment	30 700	4 056	13.2	33 017	107.5	25 436	0.2	6 504	25.6	
Software and other intangible assets	4 953	557	11.2	4 416	89.2	7 867	0.1	-	-	
<b>Payments for financial assets</b>	<b>-</b>	<b>199</b>	<b>-</b>	<b>12 086</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>-</b>	
<b>Total</b>	<b>9 497 844</b>	<b>3 622 653</b>	<b>38.1</b>	<b>9 471 659</b>	<b>99.7</b>	<b>10 389 517</b>	<b>100.0</b>	<b>4 539 516</b>	<b>43.7</b>	

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.7 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R4.5 billion or 43.7 per cent of the adjusted appropriation of R10.4 billion for the year. In comparison, mid-year expenditure in 2015/16 was R3.6 billion or 38.1 per cent of the adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R916.9 million or 25.3 per cent. This was mainly due to the increase in spending on personnel remuneration emanating from the public sector wage bill agreement and transfer payments to public corporations and private enterprises.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>81 996</b>	<b>22 427</b>	<b>27.4</b>	<b>61 979</b>	<b>75.6</b>	<b>85 428</b>	<b>82 155</b>	<b>100.0</b>	<b>47 601</b>	<b>57.9</b>
<b>Tax receipts</b>	<b>4 110</b>	<b>1 352</b>	<b>32.9</b>	<b>2 985</b>	<b>72.6</b>	<b>5 112</b>	<b>4 000</b>	<b>4.9</b>	<b>1 781</b>	<b>44.5</b>
Sales of goods and services produced by department	455	216	47.5	535	117.6	601	616	0.7	224	36.4
Sales of scrap, waste, arms and other used current goods	-	-	-	3	-	1	5	-	4	80.0
Transfers received	-	-	-	-	-	-	244	-	-	-
Fines, penalties and forfeits	42	22	52.4	28	66.7	210	400	-	332	83.0
Interest, dividends and rent on land	400	357	89.3	3 561	890.3	450	3 570	4.3	80	2.2
Sales of capital assets	400	360	90.0	360	90.0	277	300	0.4	-	-
Transactions in financial assets and liabilities	76 589	20 120	26.3	54 507	71.2	78 777	73 020	88.9	45 180	61.9
<b>Total</b>	<b>81 996</b>	<b>22 427</b>	<b>27.4</b>	<b>61 979</b>	<b>75.6</b>	<b>85 428</b>	<b>82 155</b>	<b>100.0</b>	<b>47 601</b>	<b>57.9</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R47.6 million, or 57.9 per cent of the adjusted revenue estimate of R82.2 million for the year. In comparison, mid-year revenue in 2015/16 was R22.4 million, or 27.4 per cent of the adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period increased by R25.2 million, or 112.2 per cent. The increase in revenue can be attributed to the increase in debt recovered from rentals.

## Changes to transfers and subsidies

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

R thousand	Main appropriation	2016/2017						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	236	-	-	236	236
Employee social benefits	-	-	-	236	-	-	236	236
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	1 251	-	-	(700)	-	-	(700)	551
Bursaries for non-employees	1 251	-	-	(700)	-	-	(700)	551
<b>International Trade and Economic Development</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	4 926	-	-	(300)	-	-	(300)	4 626
Organisation for the Prohibition of Chemical Weapons	4 926	-	-	(300)	-	-	(300)	4 626

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

R thousand	2016/2017							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Special Economic Zones and Economic Transformation</b>								
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Subsidies on production or products</b>								
<b>Current</b>	1 655	-	-	(1 655)	-	-	(1 655)	-
Council for Scientific and Industrial Research	1 655	-	-	(1 655)	-	-	(1 655)	-
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Other transfers</b>								
<b>Current</b>	-	-	-	1 655	-	-	1 655	1 655
Council for Scientific and Industrial Research	-	-	-	1 655	-	-	1 655	1 655
<b>Non-profit institutions</b>								
<b>Current</b>	-	-	-	1 000	-	-	1 000	1 000
Black Business Council	-	-	-	1 000	-	-	1 000	1 000
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	-	-	-	300	-	-	300	300
Progressive Youth in Business: Gifts and donations	-	-	-	200	-	-	200	200
South African Innovation Summit: Gifts and donations	-	-	-	100	-	-	100	100
<b>Industrial Development</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	-	-	-	2 058	-	-	2 058	2 058
Various institutions for Treaty Organisation for Metrology	-	-	-	2 058	-	-	2 058	2 058
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Other transfers</b>								
<b>Current</b>	210 583	-	-	1 782	-	-	1 782	212 365
South African Bureau of Standards: Research	208 861	-	-	(208 861)	-	-	(208 861)	-
South African Bureau of Standards: Small business technical consulting: Membership fees	1 722	-	-	(1 722)	-	-	(1 722)	-
South African Bureau of Standards	-	-	-	212 365	-	-	212 365	212 365
<b>Non-profit institutions</b>								
<b>Current</b>	18 712	-	-	4 000	-	-	4 000	22 712
Trade and Industrial Policy Strategies	18 712	-	-	4 000	-	-	4 000	22 712
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	14	-	-	14	14
Employee social benefits	-	-	-	14	-	-	14	14
<b>Consumer and Corporate Regulation</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	58 013	-	-	(1 370)	-	-	(1 370)	56 643
National Consumer Commission	58 013	-	-	(1 370)	-	-	(1 370)	56 643
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	13	-	-	13	13
Employee social benefits	-	-	-	13	-	-	13	13

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

R thousand	2016/2017							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Incentive Development and Administration</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	-	-	-	256 000	-	-	256 000	256 000
National Research Foundation	-	-	-	256 000	-	-	256 000	256 000
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Other transfers</b>								
<b>Capital</b>	-	-	-	1 410 000	-	-	1 410 000	1 410 000
Various institutions: Critical Infrastructure programme	-	-	-	100 000	-	-	100 000	100 000
Various institutions: Special economic zones	-	-	-	1 310 000	-	-	1 310 000	1 310 000
<b>Public corporations and private enterprises</b>								
<b>Private enterprises</b>								
<b>Subsidies on production or products</b>								
<b>Current</b>	4 166 716	-	-	(276 000)	-	-	(276 000)	3 890 716
Various institutions: Manufacturing development incentives	4 166 716	-	-	(276 000)	-	-	(276 000)	3 890 716
<b>Capital</b>	1 310 000	-	-	(1 310 000)	-	-	(1 310 000)	-
Various institutions: Special economic zones	1 310 000	-	-	(1 310 000)	-	-	(1 310 000)	-
<b>Public corporations and private enterprises</b>								
<b>Private enterprises</b>								
<b>Other transfers</b>								
<b>Current</b>	200 000	-	-	85 314	-	-	85 314	285 314
Various institutions: Export market and investment assistance	200 000	-	-	24 422	-	-	24 422	224 422
Various institutions: Support programme for industrial innovation	-	-	-	60 892	-	-	60 892	60 892
<b>Capital</b>	350 892	-	-	(160 892)	-	-	(160 892)	190 000
Various institutions: Critical infrastructure programme	290 000	-	-	(100 000)	-	-	(100 000)	190 000
Various institutions: Support programme for industrial innovation	60 892	-	-	(60 892)	-	-	(60 892)	-
<b>Trade Export South Africa</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	2 772	-	-	(2 772)	-	-	(2 772)	-
Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank)	1 386	-	-	(1 386)	-	-	(1 386)	-
Export consultancy trust funds: International Finance Corporation	1 386	-	-	(1 386)	-	-	(1 386)	-



# Vote 35

## Transport

### Adjusted budget summary

2016/17				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>56 015 163</b>	<b>56 285 854</b>	<b>-</b>	<b>270 691</b>
Current payments	1 192 054	1 183 895	(8 159)	-
Transfers and subsidies	54 818 777	55 094 468	-	275 691
Payments for capital assets	4 332	7 491	-	3 159
<b>Direct charge against the National Revenue Fund</b>	<b>-</b>	<b>1 700</b>	<b>-</b>	<b>1 700</b>
Executive authority	Minister of Transport			
Accounting officer	Director-General of Transport			
Website address	www.transport.gov.za			

### Vote purpose

Lead the provision of an integrated, sustainable, reliable and safe transport system through planning, developing, coordinating, promoting and implementing transport policies, regulations and strategies.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Lane kilometres of surfaced roads rehabilitated per year	Road Transport	Outcome 6: An efficient, competitive and responsive economic infrastructure network	2 360 km	397 km	-
Lane kilometres of roads resealed per year	Road Transport		3 799 km	1 735 km	-
Kilometres of roads re-gravelled per year	Road Transport		4 534 km	1 664 km	-
Square kilometres of blacktop patching on roads (including pothole repairs) per year	Road Transport		1 221 968 km <sup>2</sup>	489 273 km	-
Kilometres of gravel roads bladed per year	Road Transport		533 052 km	146 631 km	-
Number of average weekday bus rapid transit passengers trips per year: Rea Vaya (Johannesburg)	Public Transport		60 000	50 000	-
Total number of integrated public transport networks facilitated at the construction phase	Public Transport		12	11	-
Number of average weekday bus rapid transit passenger trips per year: My Citi (Cape Town)	Public Transport		86 380	106 730	-

#### Mid-year progress

Progress in lane kilometres of surfaced roads rehabilitated per year has been slower than anticipated. This has been largely due to delays in the procurement processes across all provinces.

Progress in lane kilometres of roads resealed per year has been slower than expected due to inclement weather conditions that affected some projects.

Progress in kilometres of roads re-gravelled per year has also been slower than anticipated. This has been largely due to water shortages linked to the drought affected areas in the country in recent months.

Progress in kilometres of gravel roads bladed per year has been slower than expected due to delays in the procurement processes of a number of projects, particularly for grader services and repairs in rural areas.

The Rea Vaya bus rapid transit system in the City of Johannesburg carries an average of about 50 000 passengers per weekday against a target of 60 000 passengers, while My Citi bus rapid transit system in the City of Cape Town carries 106 730 passengers against a target of 86 380. The below target performance in Johannesburg is largely due to the slower than expected rates of passengers transitioning from other modes of transport to the bus rapid transit systems; the full integration of rapid public transport networks has not yet materialised. The above target performance in Cape Town is largely due to the introduction of two additional routes to its bus rapid transit system.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	394 763	-	-	-	(1 970)	-	(1 970)	392 793
Integrated Transport Planning	78 954	-	-	-	-	-	-	78 954
Rail Transport	18 985 533	-	-	-	-	-	-	18 985 533
Road Transport	24 525 567	275 691	-	-	(2 132)	-	273 559	24 799 126
Civil Aviation	253 223	-	-	-	-	-	-	253 223
Maritime Transport	121 733	-	-	-	(898)	-	(898)	120 835
Public Transport	11 655 390	-	-	-	-	-	-	11 655 390
<b>Subtotal</b>	<b>56 015 163</b>	<b>275 691</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>270 691</b>	<b>56 285 854</b>
<b>Direct charge against the National Revenue Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>
International Oil Pollution Compensation Fund	-	-	-	-	-	1 700	1 700	1 700
<b>Total</b>	<b>56 015 163</b>	<b>275 691</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>1 700</b>	<b>272 391</b>	<b>56 287 554</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 192 054</b>	<b>-</b>	<b>-</b>	<b>(3 159)</b>	<b>(5 000)</b>	<b>-</b>	<b>(8 159)</b>	<b>1 183 895</b>
Compensation of employees	437 139	-	-	-	(5 000)	-	(5 000)	432 139
Goods and services	754 915	-	-	(3 159)	-	-	(3 159)	751 756
<b>Transfers and subsidies</b>	<b>54 818 777</b>	<b>275 691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 700</b>	<b>277 391</b>	<b>55 096 168</b>
Provinces and municipalities	21 297 000	275 691	-	-	-	-	275 691	21 572 691
Departmental agencies and accounts	14 233 971	-	-	-	-	-	-	14 233 971
Foreign governments and international organisations	11 164	-	-	-	-	1 700	1 700	12 864
Public corporations and private enterprises	18 890 267	-	-	-	-	-	-	18 890 267
Non-profit institutions	22 816	-	-	-	-	-	-	22 816
Households	363 559	-	-	-	-	-	-	363 559
<b>Payments for capital assets</b>	<b>4 332</b>	<b>-</b>	<b>-</b>	<b>3 159</b>	<b>-</b>	<b>-</b>	<b>3 159</b>	<b>7 491</b>
Machinery and equipment	4 332	-	-	3 159	-	-	3 159	7 491
<b>Total</b>	<b>56 015 163</b>	<b>275 691</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>1 700</b>	<b>272 391</b>	<b>56 287 554</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Ministry	35 040	-	-	-	-	-	-	35 040
Management	75 421	-	-	-	(1 970)	-	(1 970)	73 451
Corporate Services	198 585	-	-	-	-	-	-	198 585
Communications	35 404	-	-	-	-	-	-	35 404
Office Accommodation	50 313	-	-	-	-	-	-	50 313
<b>Total</b>	<b>394 763</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 970)</b>	<b>-</b>	<b>(1 970)</b>	<b>392 793</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>381 078</b>	<b>-</b>	<b>-</b>	<b>(2 602)</b>	<b>(1 970)</b>	<b>-</b>	<b>(4 572)</b>	<b>376 506</b>
Compensation of employees	198 916	-	-	-	(1 970)	-	(1 970)	196 946
Goods and services	182 162	-	-	(2 602)	-	-	(2 602)	179 560
<b>Transfers and subsidies</b>	<b>11 222</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11 222</b>
Departmental agencies and accounts	1 105	-	-	-	-	-	-	1 105
Households	10 117	-	-	-	-	-	-	10 117
<b>Payments for capital assets</b>	<b>2 463</b>	<b>-</b>	<b>-</b>	<b>2 602</b>	<b>-</b>	<b>-</b>	<b>2 602</b>	<b>5 065</b>
Machinery and equipment	2 463	-	-	2 602	-	-	2 602	5 065
<b>Total</b>	<b>394 763</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 970)</b>	<b>-</b>	<b>(1 970)</b>	<b>392 793</b>

**Programme 2: Integrated Transport Planning**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Macro Sector Planning	15 443	-	-	-	-	-	-	15 443
Freight Logistics	20 749	-	-	(338)	-	-	(338)	20 411
Modelling and Economic Analysis	17 731	-	-	(500)	-	-	(500)	17 231
Regional Integration	7 141	-	-	(576)	-	-	(576)	6 565
Research and Innovation	13 659	-	-	(529)	-	-	(529)	13 130
Integrated Transport Planning	4 231	-	-	1 943	-	-	1 943	6 174
Administration Support								
<b>Total</b>	<b>78 954</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78 954</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>78 773</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78 773</b>
Compensation of employees	44 261	-	-	-	-	-	-	44 261
Goods and services	34 512	-	-	-	-	-	-	34 512
<b>Payments for capital assets</b>	<b>181</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181</b>
Machinery and equipment	181	-	-	-	-	-	-	181
<b>Total</b>	<b>78 954</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78 954</b>

**Programme 3: Rail Transport**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Rail Regulation	17 636	-	-	1 017	-	-	1 017	18 653
Rail Infrastructure and Industry Development	9 705	-	-	(1 017)	-	-	(1 017)	8 688
Rail Operations	7 851	-	-	-	-	-	-	7 851
Rail Oversight	18 946 254	-	-	-	-	-	-	18 946 254
Rail Administration Support	4 087	-	-	-	-	-	-	4 087
<b>Total</b>	<b>18 985 533</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18 985 533</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>39 179</b>	<b>-</b>	<b>-</b>	<b>(60)</b>	<b>-</b>	<b>-</b>	<b>(60)</b>	<b>39 119</b>
Compensation of employees	23 320	-	-	-	-	-	-	23 320
Goods and services	15 859	-	-	(60)	-	-	(60)	15 799
<b>Transfers and subsidies</b>	<b>18 946 254</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18 946 254</b>
Departmental agencies and accounts	55 987	-	-	-	-	-	-	55 987
Public corporations and private enterprises	18 890 267	-	-	-	-	-	-	18 890 267
<b>Payments for capital assets</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>160</b>
Machinery and equipment	100	-	-	60	-	-	60	160
<b>Total</b>	<b>18 985 533</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18 985 533</b>

**Programme 4: Road Transport**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Road Regulation	34 566	-	-	-	-	-	-	34 566
Road Infrastructure and Industry Development	36 072	-	-	(555)	(612)	-	(1 167)	34 905
Road Oversight	24 430 034	275 691	-	-	(1 520)	-	274 171	24 704 205
Road Administration Support	7 090	-	-	555	-	-	555	7 645
Road Engineering Standards	17 805	-	-	-	-	-	-	17 805
<b>Total</b>	<b>24 525 567</b>	<b>275 691</b>	<b>-</b>	<b>-</b>	<b>(2 132)</b>	<b>-</b>	<b>273 559</b>	<b>24 799 126</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>101 359</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 132)</b>	<b>-</b>	<b>(2 132)</b>	<b>99 227</b>
Compensation of employees	56 383	-	-	-	(2 132)	-	(2 132)	54 251
Goods and services	44 976	-	-	-	-	-	-	44 976
<b>Transfers and subsidies</b>	<b>24 423 558</b>	<b>275 691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>275 691</b>	<b>24 699 249</b>
Provinces and municipalities	10 304 017	275 691	-	-	-	-	275 691	10 579 708
Departmental agencies and accounts	14 119 541	-	-	-	-	-	-	14 119 541
<b>Payments for capital assets</b>	<b>650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>650</b>
Machinery and equipment	650	-	-	-	-	-	-	650
<b>Total</b>	<b>24 525 567</b>	<b>275 691</b>	<b>-</b>	<b>-</b>	<b>(2 132)</b>	<b>-</b>	<b>273 559</b>	<b>24 799 126</b>

**Programme 6: Maritime Transport**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Maritime Policy Development	13 134	-	-	(3 114)	-	-	(3 114)	10 020
Maritime Infrastructure and Industry Development	11 627	-	-	411	-	-	411	12 038
Implementation, Monitoring and Evaluations	57 373	-	-	2 014	-	-	2 014	59 387
Maritime Oversight	35 253	-	-	-	(898)	-	(898)	34 355
Maritime Administration Support	4 346	-	-	689	-	-	689	5 035
<b>Total</b>	<b>121 733</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(898)</b>	<b>-</b>	<b>(898)</b>	<b>120 835</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>91 079</b>	<b>-</b>	<b>-</b>	<b>(497)</b>	<b>(898)</b>	<b>-</b>	<b>(1 395)</b>	<b>89 684</b>
Compensation of employees	24 680	-	-	-	(898)	-	(898)	23 782
Goods and services	66 399	-	-	(497)	-	-	(497)	65 902
<b>Transfers and subsidies</b>	<b>30 341</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 341</b>
Departmental agencies and accounts	28 561	-	-	-	-	-	-	28 561
Foreign governments and international organisations	1 780	-	-	-	-	-	-	1 780
<b>Payments for capital assets</b>	<b>313</b>	<b>-</b>	<b>-</b>	<b>497</b>	<b>-</b>	<b>-</b>	<b>497</b>	<b>810</b>
Machinery and equipment	313	-	-	497	-	-	497	810
<b>Total</b>	<b>121 733</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(898)</b>	<b>-</b>	<b>(898)</b>	<b>120 835</b>

**Direct charge against the National Revenue Fund**

	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
International Oil Pollution Compensation Fund	-	-	-	-	-	1 700	1 700	1 700
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>
<b>Economic classification</b>								
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>
Foreign governments and international organisations	-	-	-	-	-	1 700	1 700	1 700
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Roll-overs – R275.691 million**

Programme 4: Road Transport

R275.691 million has been rolled over to KwaZulu-Natal for the provincial road maintenance grant.

**Virements and shifts**

Programmes					
1. Administration					
2. Integrated Transport Planning					
3. Rail Transport					
4. Road Transport					
5. Civil Aviation					
6. Maritime Transport					
7. Public Transport					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(2 602)	Programme 1		2 602
Goods and services	Conversion of operating leases for photocopying machines	(2 602)	Machinery and equipment	Finance leases for photocopying machines	2 602
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(60)</b>	<b>Programme 3</b>		<b>60</b>
Goods and services	Conversion of operating leases for photocopying machines	(60)	Machinery and equipment	Finance leases for photocopying machines	60
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 6</b>		<b>(497)</b>	<b>Programme 6</b>		<b>497</b>
Goods and services	Conversion of operating leases for photocopying machines	(497)	Machinery and equipment	Finance leases for photocopying machines	497
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(3 159)</b>	<b>3 159</b>		

### Declared unspent funds – R5 million

R5 million in unspent funds has been declared due to vacant posts.

Programme 1: Administration

R1.970 million

Programme 4: Road Transport

R2.132 million

Programme 6: Maritime Transport

R898 000

### Direct charges against the National Revenue Fund – R1.700 million

#### *Funds shifted within a vote following a function shift*

R1.700 million has been allocated for payments to the International Oil Pollution Compensation Fund on behalf of oil importers in compliance with the provisions of section 4(2) of the Merchant Shipping (International Oil Pollution Compensation Fund) Contributions Act (2013).

### Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	% of adjusted appropriation	Apr 15 - Mar 16	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	% of adjusted appropriation	
Administration	383 457	195 222	50.9	420 824	109.7	392 793	0.7	147 455	37.5	
Integrated Transport Planning	88 083	35 228	40.0	88 762	100.8	78 954	0.1	29 839	37.8	
Rail Transport	18 311 364	10 960 744	59.9	18 305 274	100.0	18 985 533	33.7	7 997 266	42.1	
Road Transport	23 042 697	12 090 117	52.5	22 889 198	99.3	24 799 126	44.1	13 310 665	53.7	
Civil Aviation	149 526	70 905	47.4	145 284	97.2	253 223	0.4	75 426	29.8	
Maritime Transport	121 089	45 933	37.9	142 874	118.0	120 835	0.2	66 091	54.7	
Public Transport	11 518 861	3 796 600	33.0	11 328 571	98.3	11 655 390	20.7	3 907 371	33.5	
<b>Subtotal</b>	<b>53 615 077</b>	<b>27 194 749</b>	<b>50.7</b>	<b>53 320 787</b>	<b>99.5</b>	<b>56 285 854</b>	<b>100.0</b>	<b>25 534 113</b>	<b>45.4</b>	
<b>National Revenue Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	
International Oil Pollution Compensation Fund	-	-	-	-	-	1 700	-	-	-	
<b>Total</b>	<b>53 615 077</b>	<b>27 194 749</b>	<b>50.7</b>	<b>53 320 787</b>	<b>99.5</b>	<b>56 287 554</b>	<b>100.0</b>	<b>25 534 113</b>	<b>45.4</b>	

Economic classification	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation/ Total (%)	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
<b>Current payments</b>	<b>1 069 070</b>	<b>565 167</b>	<b>52.9</b>	<b>1 084 214</b>	<b>101.4</b>	<b>1 183 895</b>	<b>2.1</b>	<b>642 421</b>	<b>54.3</b>	
Compensation of employees	389 806	188 716	48.4	382 866	98.2	432 139	0.8	190 998	44.2	
Goods and services	679 264	376 451	55.4	701 348	103.3	751 756	1.3	451 423	60.0	
<b>Transfers and subsidies</b>	<b>52 540 290</b>	<b>26 624 167</b>	<b>50.7</b>	<b>52 219 381</b>	<b>99.4</b>	<b>55 096 168</b>	<b>97.9</b>	<b>24 887 993</b>	<b>45.2</b>	
Provinces and municipalities	20 796 815	9 190 823	44.2	20 521 127	98.7	21 572 691	38.3	9 546 268	44.3	
Departmental agencies and accounts	13 148 460	6 454 007	49.1	13 148 404	100.0	14 233 971	25.3	7 305 773	51.3	
Higher education institutions	–	1 303	–	–	–	–	–	–	–	
Foreign governments and international organisations	10 685	9 450	88.4	46 824	438.2	12 864	–	11 476	89.2	
Public corporations and private enterprises	18 222 047	10 894 474	59.8	18 222 047	100.0	18 890 267	33.6	7 927 060	42.0	
Non-profit institutions	21 669	18 835	86.9	21 669	100.0	22 816	–	12 000	52.6	
Households	340 614	55 275	16.2	259 310	76.1	363 559	0.6	85 416	23.5	
<b>Payments for capital assets</b>	<b>5 717</b>	<b>5 371</b>	<b>93.9</b>	<b>13 867</b>	<b>242.6</b>	<b>7 491</b>	<b>–</b>	<b>3 685</b>	<b>49.2</b>	
Machinery and equipment	5 717	5 371	93.9	10 513	183.9	7 491	–	3 685	49.2	
Software and other intangible assets	–	–	–	3 354	–	–	–	–	–	
<b>Payments for financial assets</b>	<b>–</b>	<b>44</b>	<b>–</b>	<b>3 325</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14</b>	<b>–</b>	
<b>Total</b>	<b>53 615 077</b>	<b>27 194 749</b>	<b>50.7</b>	<b>53 320 787</b>	<b>99.5</b>	<b>56 287 554</b>	<b>100.0</b>	<b>25 534 113</b>	<b>45.4</b>	

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.5 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R25.5 billion, or 45.4 per cent of the adjusted appropriation of R56.3 billion for the year. In comparison, mid-year expenditure in 2015/16 was R27.2 billion, or 50.7 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R1.7 billion, or 6.1 per cent. This was mainly due to lower transfer payments to the Passenger Rail Agency of South Africa for the first six months of 2016/17, compared to the same period in 2015/16, as well as outstanding invoices for lease accommodation due to a dispute with the service provider.

## Departmental receipts

Economic classification	2015/16 Audited outcome					2016/17 Actual receipts					
	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	
R thousand											
<b>Departmental receipts</b>	<b>210 252</b>	<b>208 082</b>	<b>99.0</b>	<b>209 935</b>	<b>99.8</b>	<b>80 881</b>	<b>276 607</b>	<b>100.0</b>	<b>25 723</b>	<b>9.3</b>	
Sales of goods and services produced by department	516	254	49.2	554	107.4	621	621	0.2	351	56.5	
Sales of scrap, waste, arms and other used current goods	62	1	1.6	2	3.2	30	–	–	–	–	
Transfers received	244	–	–	–	–	–	244	–	–	–	
Fines, penalties and forfeits	–	–	–	–	–	70	70	–	–	–	
Interest, dividends and rent on land	206 865	205 562	99.4	205 644	99.4	150	250 908	90.7	908	0.4	
Sales of capital assets	300	–	–	–	–	–	300	0.1	–	–	
Transactions in financial assets and liabilities	2 265	2 265	100.0	3 735	164.9	80 010	24 464	8.8	24 464	100.0	
<b>Total</b>	<b>210 252</b>	<b>208 082</b>	<b>99.0</b>	<b>209 935</b>	<b>99.8</b>	<b>80 881</b>	<b>276 607</b>	<b>100.0</b>	<b>25 723</b>	<b>9.3</b>	

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R25.7 million, or 9.3 per cent of the adjusted revenue estimate of R276.6 million for the year. In comparison, mid-year revenue in 2015/16 was R208.1 million, or 99 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R182.4 million, or 87.6 per cent. This was mainly due to having received higher dividends from the Airports Company of South Africa over the same period in 2015/16.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Road Transport</b>								
<b>Provinces and municipalities</b>								
<b>Provinces</b>								
<b>Provincial Revenue Funds</b>								
<b>Capital</b>	<b>9 103 380</b>	<b>275 691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>275 691</b>	<b>9 379 071</b>
Provincial roads maintenance grant: Roads maintenance component	9 103 380	275 691	-	-	-	-	275 691	9 379 071
<b>Direct charge against the National Revenue Fund</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>
International Oil Pollution Compensation Fund	-	-	-	-	-	1 700	1 700	1 700

### Summary of changes to conditional grants: Provinces

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Road Transport</b>	<b>10 202 503</b>	<b>275 691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>275 691</b>	<b>10 478 194</b>
Provincial roads maintenance grant: Roads maintenance component	9 103 380	275 691	-	-	-	-	275 691	9 379 071



# Vote 36

## Water and Sanitation

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>15 245 297</b>	<b>15 524 597</b>	<b>-</b>	<b>279 300</b>
<b>of which:</b>				
Current payments	3 315 827	3 202 471	(113 356)	-
Transfers and subsidies	7 483 715	7 487 642	-	3 927
Payments for capital assets	4 445 755	4 834 484	-	388 729
Executive authority	Minister of Water and Sanitation			
Accounting officer	Director-General of Water and Sanitation			
Website address	www.dws.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 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of quarterly progress reports on the approved international relations implementation plan per year	Administration	Outcome 11: Create a better South Africa, a better Africa and a better world	4	-	-
Number of river systems with water quality management systems in place per year	Water Planning and Information Management	Outcome 10: Protect and enhance our environmental assets and natural resources	2	-	-
Percentage of the water monitoring network implementation strategy completed per year	Water Planning and Information Management		100%	80%	-
Number of records of decisions for raw water planning projects completed per year	Water Planning and Information Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	2	1	-
Number of large water and wastewater services construction projects completed	Water Infrastructure Development		3	2	-
Number of mega water and wastewater services construction projects completed	Water Infrastructure Development		1	-	-
Number of small water and wastewater services construction projects completed per year	Water Infrastructure Development	Outcome 9: Responsive, accountable, effective and efficient developmental local government system	427	19	-
Number of rural households provided with access to sanitation as per norms and standards per year	Water Infrastructure Development		9 456	5131	-
Number of additional resource poor farmers financially supported to enhance access to water per year	Water and Sanitation Services	Outcome 7: Comprehensive rural development and land reform	1 239	265	-

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of tanks installed to harvest water for food production and other household productive use per year	Water and Sanitation Services	Outcome 7: Comprehensive rural development and land reform	1 500	243	–
Number of existing bucket sanitation systems in formal settlements replaced with adequate sanitation services per year	Water and Sanitation Services	Outcome 8: Sustainable human settlements and improved quality of household life	4 135	4 135	–
Percentage of water use authorisation applications per year finalised within 300 working days of application	Water Sector Regulation	Outcome 10: Protect And enhance our environmental assets and natural resources	80%	61%	–
Number of wastewater treatment collector systems assessed for compliance with effluent standards per year	Water Sector Regulation		963	–	–
Number of water treatment supply systems assessed for compliance with drinking water quality standards per year	Water Sector Regulation		1 084	458	–

### Mid-year progress

The department has not made any progress with the quarterly reports on the implementation plan for approved international relations because this is dependent on scheduled visits by country delegates to South Africa, and areas of collaboration have not yet been established. The department expects to start making progress in this area in the second half of 2016/17.

Progress on the indicator for river systems with water quality management systems put in place has been delayed by a lengthy consultation process. The commenting and gazetting procedures are under way and the actual work is expected to begin in the second half of 2016/17.

The department has achieved 50 per cent of its target for the record of decisions completed for bulk raw water planning projects. Of the two raw water planning projects, only phase 1 of the uMkhomazi water project has been completed. The target will not be fully achieved as the environmental impact assessment for the pipeline size of phase 2 of the Mokolo Crocodile West augmentation project is under way and the record of decisions is expected to be issued in 2017/18.

The slow progress on mega and small projects is because the department is still in the planning and procurement phases for these infrastructure projects.

To date, the department has only constructed 19 small water and wastewater services projects. This is due to a reprioritisation of funds from these projects to drought relief interventions and other water resource management issues.

Progress on the number of additional resource poor farmers financially supported has been slow, due to a reprioritisation of funds to drought relief interventions and slow procurement processes.

A cumulative number of 243 water harvesting tanks for food production and other household productive activities has been installed. The slow progress is due to the reprioritisation of funds from this project to the more urgent interventions for drought relief.

The 100 per cent achievement on the indicator for bucket sanitation systems in formal settlements is due to a lower target of 4 135 being set in 2016/17, as the department revised the outstanding number of bucket systems to be eradicated from the 2015/16 backlogs. Due to a lengthy procurement process caused by a reprioritisation of funds within the *Water and Sanitation Services* programme, the department envisages that only 480 wastewater collector systems will be assessed in the first six months of 2016/17 and expects to

begin procurement processes in the second half of the financial year. The department therefore expects the target to be met by the end of 2016/17.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	1 659 488	-	-	(15 537)	(31 000)	-	(46 537)	1 612 951
Water Planning and Information Management	841 817	-	-	(16 004)	(11 000)	-	(27 004)	814 813
Water Infrastructure Development	11 696 415	-	-	(15 019)	(10 000)	341 300	316 281	12 012 696
Water and Sanitation Services	701 945	-	-	36 115	-	-	36 115	738 060
Water Sector Regulation	345 632	-	-	10 445	(10 000)	-	445	346 077
<b>Total</b>	<b>15 245 297</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(62 000)</b>	<b>341 300</b>	<b>279 300</b>	<b>15 524 597</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 315 827</b>	<b>-</b>	<b>-</b>	<b>(101 956)</b>	<b>(62 000)</b>	<b>50 600</b>	<b>(113 356)</b>	<b>3 202 471</b>
Compensation of employees	1 667 217	-	-	(65 000)	(62 000)	-	(127 000)	1 540 217
Goods and services	1 648 610	-	-	(37 025)	-	50 600	13 575	1 662 185
Interest and rent on land	-	-	-	69	-	-	69	69
<b>Transfers and subsidies</b>	<b>7 483 715</b>	<b>-</b>	<b>-</b>	<b>3 927</b>	<b>-</b>	<b>-</b>	<b>3 927</b>	<b>7 487 642</b>
Provinces and municipalities	4 695 401	-	-	-	-	-	-	4 695 401
Departmental agencies and accounts	1 713 664	-	-	-	-	-	-	1 713 664
Higher education institutions	3 400	-	-	-	-	-	-	3 400
Foreign governments and international organisations	188 370	-	-	-	-	-	-	188 370
Public corporations and private enterprises	844 773	-	-	-	-	-	-	844 773
Non-profit institutions	2 766	-	-	-	-	-	-	2 766
Households	35 341	-	-	3 927	-	-	3 927	39 268
<b>Payments for capital assets</b>	<b>4 445 755</b>	<b>-</b>	<b>-</b>	<b>98 029</b>	<b>-</b>	<b>290 700</b>	<b>388 729</b>	<b>4 834 484</b>
Buildings and other fixed structures	4 334 634	-	-	72 000	-	290 700	362 700	4 697 334
Machinery and equipment	87 677	-	-	21 581	-	-	21 581	109 258
Software and other intangible assets	23 444	-	-	4 448	-	-	4 448	27 892
<b>Total</b>	<b>15 245 297</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(62 000)</b>	<b>341 300</b>	<b>279 300</b>	<b>15 524 597</b>

### Programme 1: Administration

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	52 300	-	-	-	-	-	-	52 300
Departmental Management	145 542	-	-	(28 092)	(10 000)	37 560	(532)	145 010
Internal Audit	27 768	-	-	-	-	10 512	10 512	38 280
Corporate Services	776 232	-	-	23 954	(15 000)	(42 142)	(33 188)	743 044
Financial Management	275 384	-	-	(18 237)	(2 000)	(5 930)	(26 167)	249 217
Office Accommodation	334 920	-	-	12 000	-	-	12 000	346 920
Programme Management Unit	5 162	-	-	(5 162)	-	-	(5 162)	-
International Water Support	42 180	-	-	-	(4 000)	-	(4 000)	38 180
<b>Total</b>	<b>1 659 488</b>	<b>-</b>	<b>-</b>	<b>(15 537)</b>	<b>(31 000)</b>	<b>-</b>	<b>(46 537)</b>	<b>1 612 951</b>

**Programme 1: Administration (continued)**

Economic classification	2016/17							
	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>1 587 345</b>	–	–	(32 770)	(31 000)	–	(63 770)	<b>1 523 575</b>
Compensation of employees	749 569	–	–	(15 862)	(31 000)	–	(46 862)	702 707
Goods and services	837 776	–	–	(16 908)	–	–	(16 908)	820 868
<b>Transfers and subsidies</b>	<b>24 421</b>	–	–	<b>1 124</b>	–	–	<b>1 124</b>	<b>25 545</b>
Provinces and municipalities	24	–	–	–	–	–	–	24
Departmental agencies and accounts	2 202	–	–	–	–	–	–	2 202
Higher education institutions	3 400	–	–	–	–	–	–	3 400
Foreign governments and international organisations	920	–	–	–	–	–	–	920
Non-profit institutions	700	–	–	–	–	–	–	700
Households	17 175	–	–	1 124	–	–	1 124	18 299
<b>Payments for capital assets</b>	<b>47 722</b>	–	–	<b>16 109</b>	–	–	<b>16 109</b>	<b>63 831</b>
Machinery and equipment	25 209	–	–	11 661	–	–	11 661	36 870
Software and other intangible assets	22 513	–	–	4 448	–	–	4 448	26 961
<b>Total</b>	<b>1 659 488</b>	–	–	<b>(15 537)</b>	<b>(31 000)</b>	–	<b>(46 537)</b>	<b>1 612 951</b>

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

Subprogramme	2016/17							
	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	7 519	–	–	(1 200)	–	–	(1 200)	6 319
Integrated Planning	124 668	–	–	(22 781)	–	–	(22 781)	101 887
Water Ecosystems	53 706	–	–	(3 279)	–	–	(3 279)	50 427
Water Information Management	515 736	–	–	16 292	–	–	16 292	532 028
Water Services and Local Water Management	121 589	–	–	(2 036)	(7 000)	–	(9 036)	112 553
Sanitation Planning and Management	18 599	–	–	(3 000)	(4 000)	–	(7 000)	11 599
<b>Total</b>	<b>841 817</b>	–	–	<b>(16 004)</b>	<b>(11 000)</b>	–	<b>(27 004)</b>	<b>814 813</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>768 150</b>	–	–	<b>(18 313)</b>	<b>(11 000)</b>	–	<b>(29 313)</b>	<b>738 837</b>
Compensation of employees	412 460	–	–	(5 874)	(11 000)	–	(16 874)	395 586
Goods and services	355 690	–	–	(12 439)	–	–	(12 439)	343 251
<b>Transfers and subsidies</b>	<b>1 081</b>	–	–	<b>395</b>	–	–	<b>395</b>	<b>1 476</b>
Provinces and municipalities	395	–	–	–	–	–	–	395
Non-profit institutions	24	–	–	–	–	–	–	24
Households	662	–	–	395	–	–	395	1 057
<b>Payments for capital assets</b>	<b>72 586</b>	–	–	<b>1 914</b>	–	–	<b>1 914</b>	<b>74 500</b>
Buildings and other fixed structures	30 000	–	–	–	–	–	–	30 000
Machinery and equipment	41 655	–	–	1 914	–	–	1 914	43 569
Software and other intangible assets	931	–	–	–	–	–	–	931
<b>Total</b>	<b>841 817</b>	–	–	<b>(16 004)</b>	<b>(11 000)</b>	–	<b>(27 004)</b>	<b>814 813</b>

**Programme 3: Water Infrastructure Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Infrastructure Development and Rehabilitation	1 731 912	–	–	–	–	–	–	1 731 912
Operation of Water Resources	165 000	–	–	–	–	–	–	165 000
Water Services Infrastructure	9 799 503	–	–	(15 019)	(10 000)	341 300	316 281	10 115 784
<b>Total</b>	<b>11 696 415</b>	–	–	<b>(15 019)</b>	<b>(10 000)</b>	<b>341 300</b>	<b>316 281</b>	<b>12 012 696</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>300 075</b>	–	–	<b>(17 147)</b>	<b>(10 000)</b>	<b>50 600</b>	<b>23 453</b>	<b>323 528</b>
Compensation of employees	125 334	–	–	(15 019)	(10 000)	–	(25 019)	100 315
Goods and services	174 741	–	–	(2 197)	–	50 600	48 403	223 144
Interest and rent on land	–	–	–	69	–	–	69	69

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

Economic classification	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
<b>Transfers and subsidies</b>	<b>7 437 967</b>	-	-	1 226	-	-	1 226	7 439 193
Provinces and municipalities	4 694 982	-	-	-	-	-	-	4 694 982
Departmental agencies and accounts	1 709 462	-	-	-	-	-	-	1 709 462
Foreign governments and international organisations	187 450	-	-	-	-	-	-	187 450
Public corporations and private enterprises	844 773	-	-	-	-	-	-	844 773
Households	1 300	-	-	1 226	-	-	1 226	2 526
<b>Payments for capital assets</b>	<b>3 958 373</b>	-	-	902	-	290 700	291 602	4 249 975
Buildings and other fixed structures	3 954 634	-	-	-	-	290 700	290 700	4 245 334
Machinery and equipment	3 739	-	-	902	-	-	902	4 641
<b>Total</b>	<b>11 696 415</b>	-	-	(15 019)	(10 000)	341 300	316 281	12 012 696

**Programme 4: Water and Sanitation Services**

Subprogramme	2016/17							
	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 Support	267 264	-	-	(37 616)	-	-	(37 616)	229 648
National Sanitation Services	434 681	-	-	73 731	-	-	73 731	508 412
<b>Total</b>	<b>701 945</b>	-	-	36 115	-	-	36 115	738 060
<b>Economic classification</b>								
<b>Current payments</b>	<b>328 758</b>	-	-	(39 134)	-	-	(39 134)	289 624
Compensation of employees	175 053	-	-	(43 165)	-	-	(43 165)	131 888
Goods and services	153 705	-	-	4 031	-	-	4 031	157 736
<b>Transfers and subsidies</b>	<b>16 246</b>	-	-	-	-	-	-	16 246
Non-profit institutions	1 242	-	-	-	-	-	-	1 242
Households	15 004	-	-	-	-	-	-	15 004
<b>Payments for capital assets</b>	<b>356 941</b>	-	-	75 249	-	-	75 249	432 190
Buildings and other fixed structures	350 000	-	-	72 000	-	-	72 000	422 000
Machinery and equipment	6 941	-	-	3 249	-	-	3 249	10 190
<b>Total</b>	<b>701 945</b>	-	-	36 115	-	-	36 115	738 060

**Programme 5: Water Sector Regulation**

Subprogramme	2016/17							
	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 Management and Support	43 351	-	-	(6 042)	-	-	(6 042)	37 309
Economic and Social Regulation	26 043	-	-	1 351	-	-	1 351	27 394
Water Use Authorisation and Administration	79 999	-	-	(8 707)	-	-	(8 707)	71 292
Water Supply Services and Sanitation Regulation	19 983	-	-	1 363	-	-	1 363	21 346
Compliance Monitoring	62 874	-	-	10 693	-	-	10 693	73 567
Enforcement	34 834	-	-	(1 548)	-	-	(1 548)	33 286
Institutional Oversight	78 548	-	-	13 335	(10 000)	-	3 335	81 883
<b>Total</b>	<b>345 632</b>	-	-	10 445	(10 000)	-	445	346 077
<b>Economic classification</b>								
<b>Current payments</b>	<b>331 499</b>	-	-	5 408	(10 000)	-	(4 592)	326 907
Compensation of employees	204 801	-	-	14 920	(10 000)	-	4 920	209 721
Goods and services	126 698	-	-	(9 512)	-	-	(9 512)	117 186
<b>Transfers and subsidies</b>	<b>4 000</b>	-	-	1 182	-	-	1 182	5 182
Departmental agencies and accounts	2 000	-	-	-	-	-	-	2 000
Non-profit institutions	800	-	-	-	-	-	-	800
Households	1 200	-	-	1 182	-	-	1 182	2 382
<b>Payments for capital assets</b>	<b>10 133</b>	-	-	3 855	-	-	3 855	13 988
Machinery and equipment	10 133	-	-	3 855	-	-	3 855	13 988
<b>Total</b>	<b>345 632</b>	-	-	10 445	(10 000)	-	445	346 077

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

#### Programmes

1. Administration
2. Water Planning and Information Management
3. Water Infrastructure Development
4. Water and Sanitation Services
5. Water Sector Regulation

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(44 770)</b>	<b>Programme 1</b>		<b>12 000</b>
Compensation of employees	Vacant posts <sup>2</sup>	(12 000)	Goods and services	Property payments, and operating leases	12 000
	Vacant posts	(3 862)	<b>Programme 5</b>		<b>3 862</b>
			Compensation of employees	Filling of critical vacant posts	3 862
Goods and services	Cost containment measures effected on travel and subsistence	(1 124)	<b>Programme 1</b>		<b>17 233</b>
	Reallocation of funds from contractors, consultants, and travel and subsistence	(11 661)	Households	Leave gratuities	1 124
	Reallocation of funds from contractors, consultants, and travel and subsistence	(4 448)	Machinery and equipment	Cellphones and office equipment	11 661
	Cost containment measures effected on travel and subsistence	(310)	Software and other intangible assets	Software licences	4 448
	Reallocation of funds from communication, outsourced services, and travel and subsistence	(2 663)	<b>Programme 2</b>		<b>2 973</b>
	Reallocation of funds from contractors, consultants, and travel and subsistence	(1 391)	Households	Leave gratuities	310
	Reallocation of funds from communication, outsourced services, and travel and subsistence	(5 973)	Goods and services	Review of strategies and guidelines for water management	2 663
	Cost containment measures effected on travel and subsistence	(881)	<b>Programme 4</b>		<b>7 364</b>
	Cost containment measures effected on travel and subsistence	(457)	Goods and services	Project management of the bucket eradication programme	1 391
			Buildings and other fixed structures	Bucket eradication programme	5 973
			<b>Programme 5</b>		<b>1 338</b>
			Machinery and equipment	Computers, cellphones, and printing machines	881
			Goods and services	Advertising, minor assets, business and advisory services, communication, and venues and facilities	457
Shifts within the programme as a percentage of the programme budget		1.8%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.9%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>			<b>Programme 5</b>		
<b>(20 976)</b>			<b>5 874</b>		
Compensation of employees	Vacant posts	(5 874)	Compensation of employees	Filling of critical vacant posts	5 874
			<b>Programme 2</b>		
			<b>1 999</b>		
Goods and services	Cost containment measures effected on infrastructure, and planning services	(85)	Households	Leave gratuities	85
	Cost containment measures effected on infrastructure, and planning services.	(1 914)	Machinery and equipment	Office equipment	1 914
	Reallocation of funds from consultants	(3 000)	<b>Programme 4</b>		
	Reallocation of funds from consultants, and infrastructure planning services	(8 113)	Machinery and equipment	Office equipment	3 000
	Reallocation of funds from infrastructure planning services	(1 435)	Goods and services	Project management for the bucket eradication programme	8 113
	Cost containment measures effected on communication, and travel and subsistence	(555)	Buildings and other fixed structures	Bucket eradication programme	1 435
			<b>Programme 5</b>		
			<b>555</b>		
			Goods and services	Laboratory services, travel and subsistence, and operating payments	555
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>2.3%</b>			
<b>Programme 3</b>			<b>Programme 4</b>		
<b>(17 216)</b>			<b>11 276</b>		
Compensation of employees	Vacant posts	(11 276)	Compensation of employees	Filling of critical vacant posts	11 276
	Vacant posts	(3 743)	<b>Programme 5</b>		
	Cost containment measures effected on computer services, and travel and subsistence	(1 226)	Compensation of employees	Filling of critical vacant posts	3 743
	Cost containment measures effected on contractors, computer services, and travel and subsistence	(902)	<b>Programme 3</b>		
	Cost containment measures effected on contractors, computer services, and travel and subsistence	(69)	<b>2 197</b>		
Goods and services	Households		Households	Leave gratuities	1 226
	Machinery and equipment		Machinery and equipment	Cellphones and office equipment	902
	Interest and rent on land		Interest and rent on land	Interest and penalties	69
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>0.1%</b>			
<b>Programme 4</b>			<b>Programme 4</b>		
<b>(59 914)</b>			<b>53 000</b>		
Compensation of employees	Vacant posts <sup>2</sup>	(2 468)	Buildings and other fixed structures	Bucket eradication programme <sup>2</sup>	2 468
	Vacant posts <sup>2</sup>	(50 532)	Buildings and other fixed structures	Bucket eradication programme <sup>2</sup>	50 532
	Vacant posts	(1 441)	<b>Programme 5</b>		
	Reallocation of funds from infrastructure and planning services, and travel and subsistence	(5 473)	Compensation of employees	Filling of critical vacant posts	1 441
Goods and services			Goods and services	Review and rationalisation of water institutions	5 473
Shifts within the programme as a percentage of the programme budget		7.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.0%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>		<b>(15 997)</b>	<b>Programme 4</b>		<b>11 841</b>
Goods and services	Cost containment measures effected on infrastructure, and planning services, and outsourced services	(249)	Machinery and equipment	Cellphones and office equipment	249
	Reallocation of funds from infrastructure, and planning services, and outsourced services	(11 592)	Buildings and other fixed structures	Bucket eradication programme	11 592
	Cost containment measures effected on computer services, and consultants	(257)	<b>Programme 5</b>		<b>4 156</b>
	Cost containment effected on travel and subsistence	(925)	Households	Leave gratuities	257
	Cost containment measures effected on infrastructure, and planning services, and science and technological services	(2 974)	Households	Leave gratuities	925
			Machinery and equipment	Cellphones and office equipment	2 974
Shifts within the programme as a percentage of the programme budget		1.2%			
Virements to other programmes as a percentage of the programme budget		3.4%			
<b>Total</b>		<b>(158 873)</b>			<b>158 873</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

### Declared unspent funds – R62 million

R62 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

### Other adjustments – R341.300 million

#### **Appropriation of expenditure earmarked in the 2016 Budget speech for future allocation- R341.300 million**

Programme 3: Water Infrastructure Development

R341.300 million has been allocated for drought relief measures: R290.700 million for the procurement of mobile desalination plants to serve all coastal areas; and R50.600 million has been added to the indirect portion of the water services infrastructure grant for the use of water-tankering as a short term measure for drought relief.

### Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
Administration	1 487 534	708 013	47.6	1 517 867	102.0	1 612 951	10.4	758 174	47.0	
Water Planning and Information Management	743 963	292 800	39.4	668 817	89.9	814 813	5.2	299 167	36.7	
Water Infrastructure Development	11 863 932	3 466 260	29.2	11 748 847	99.0	12 012 696	77.4	5 650 977	47.0	
Water and Sanitation Services	1 366 492	213 100	15.6	1 359 575	99.5	738 060	4.8	527 655	71.5	
Water Sector Regulation	284 609	127 559	44.8	261 868	92.0	346 077	2.2	135 190	39.1	
<b>Total</b>	<b>15 746 530</b>	<b>4 807 732</b>	<b>30.5</b>	<b>15 556 974</b>	<b>98.8</b>	<b>15 524 597</b>	<b>100.0</b>	<b>7 371 163</b>	<b>47.5</b>	

Economic classification	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
<b>Current payments</b>	<b>3 122 150</b>	<b>1 271 996</b>	<b>40.7</b>	<b>2 902 343</b>	<b>93.0</b>	<b>3 183 918</b>	<b>20.5</b>	<b>1 480 331</b>	<b>46.5</b>	
Compensation of employees	1 428 397	672 498	47.1	1 360 369	95.2	1 540 217	9.9	706 950	45.9	
Goods and services	1 687 230	592 963	35.1	1 535 439	91.0	1 643 632	10.6	773 313	47.0	
Interest and rent on land	6 523	6 535	100.2	6 535	100.2	69	-	68	98.6	
<b>Transfers and subsidies</b>	<b>5 072 620</b>	<b>1 792 341</b>	<b>35.3</b>	<b>5 078 344</b>	<b>100.1</b>	<b>7 487 642</b>	<b>48.2</b>	<b>3 497 598</b>	<b>46.7</b>	
Provinces and municipalities	2 305 464	552 546	24.0	2 305 689	100.0	4 695 401	30.2	1 624 999	34.6	
Departmental agencies and accounts	1 739 189	523 637	30.1	1 744 838	100.3	1 713 664	11.0	1 711 663	99.9	
Higher education institutions	2 000	-	-	1 000	50.0	3 400	-	-	-	
Foreign governments and international organisations	189 267	123 770	65.4	189 231	100.0	188 370	1.2	94 393	50.1	
Public corporations and private enterprises	802 000	580 566	72.4	801 748	100.0	844 773	5.4	50 000	5.9	
Non-profit institutions	1 995	304	15.2	681	34.1	2 766	-	1 160	41.9	
Households	32 705	11 518	35.2	35 157	107.5	39 268	0.3	15 383	39.2	
<b>Payments for capital assets</b>	<b>7 551 760</b>	<b>1 743 384</b>	<b>23.1</b>	<b>7 571 438</b>	<b>100.3</b>	<b>4 853 037</b>	<b>31.3</b>	<b>2 393 234</b>	<b>49.3</b>	
Buildings and other fixed structures	7 419 043	1 710 155	23.1	7 455 957	100.5	4 715 887	30.4	2 346 979	49.8	
Machinery and equipment	92 347	24 682	26.7	86 450	93.6	109 258	0.7	23 874	21.9	
Software and other intangible assets	40 370	8 547	21.2	29 031	71.9	27 892	0.2	22 381	80.2	
<b>Payments for financial assets</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>4 849</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>15 746 530</b>	<b>4 807 732</b>	<b>30.5</b>	<b>15 556 974</b>	<b>98.8</b>	<b>15 524 597</b>	<b>100.0</b>	<b>7 371 163</b>	<b>47.5</b>	

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 98.8 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R7.4 billion or 47.5 per cent of the adjusted appropriation of R15.5 billion for the year. In comparison, mid-year expenditure in 2015/16 was R4.8 billion, or 30.5 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R2.6 billion, or 53.3 per cent. This was due to increased and faster spending on infrastructure programmes related to the bucket eradication programme and to regional bulk infrastructure projects.

### Departmental receipts

R thousand	2015/16 Audited outcome					2016/17 Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>19 092</b>	<b>5 746</b>	<b>30.1</b>	<b>11 008</b>	<b>57.7</b>	<b>18 148</b>	<b>20 874</b>	<b>100.0</b>	<b>17 123</b>	<b>82.0</b>
Sales of goods and services produced by department	2 468	1 490	60.4	2 547	103.2	926	2 423	11.6	1 485	61.3
Sales of scrap, waste, arms and other used current goods	24	16	66.7	29	120.8	22	-	-	-	-
Interest, dividends and rent on land	3 500	1 167	33.3	2 428	69.4	3 700	1 604	7.7	921	57.4
Sales of capital assets	-	-	-	31	-	-	20	0.1	20	100.0
Transactions in financial assets and liabilities	13 100	3 073	23.5	5 973	45.6	13 500	16 827	80.6	14 697	87.3
<b>Total</b>	<b>19 092</b>	<b>5 746</b>	<b>30.1</b>	<b>11 008</b>	<b>57.7</b>	<b>18 148</b>	<b>20 874</b>	<b>100.0</b>	<b>17 123</b>	<b>82.0</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R17.1 million, or 82 per cent of the adjusted revenue estimate of R20.9 million for the year. In comparison, mid-year revenue in 2015/16 was R5.7 million, or

30.1 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R11.4 million, or 198 per cent. This was mainly due to refunds on incorrect payments made to municipalities.

## Changes to transfers and subsidies

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	1 640	-	-	1 124	-	-	1 124	2 764
Employee social benefits	1 640	-	-	1 124	-	-	1 124	2 764
<b>Water Planning and Information Management</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	662	-	-	395	-	-	395	1 057
Employee social benefits	662	-	-	310	-	-	310	972
Other transfer	-	-	-	85	-	-	85	85
<b>Water Infrastructure Development</b>								
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Other transfers</b>								
<b>Current</b>	844 773	-	-	-	-	-	-	844 773
Magalies Water Board: Regional bulk infrastructure	226 773	-	-	(84 004)	-	-	(84 004)	142 769
Umgeni Water Board: Regional bulk infrastructure	400 000	-	-	23 004	-	-	23 004	423 004
Sedibeng Water Board: Regional bulk infrastructure	218 000	-	-	61 000	-	-	61 000	279 000
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	1 300	-	-	1 226	-	-	1 226	2 526
Employee social benefits	1 300	-	-	1 226	-	-	1 226	2 526
<b>Water Sector Regulation</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	1 200	-	-	1 182	-	-	1 182	2 382
Employee social benefits	1 200	-	-	1 182	-	-	1 182	2 382

# Vote 37

## Arts and Culture

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>4 070 853</b>	<b>4 062 572</b>	<b>(8 281)</b>	<b>-</b>
<b>of which:</b>				
Current payments	597 183	582 645	(14 538)	-
Transfers and subsidies	3 220 223	3 272 319	-	52 096
Payments for capital assets	253 447	207 608	(45 839)	-
Executive authority	Minister of Arts and Culture			
Accounting officer	Director-General of Arts and Culture			
Website address	www.dac.gov.za			

### Vote purpose

*Contribute to sustainable economic development and enhance job creation by preserving, protecting and developing South African arts, culture and heritage to sustain a socially cohesive and democratic nation.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of community conversations on social cohesion and nation building conducted per year	Institutional Governance	Outcome 14: Nation building and social cohesion	33	18	-
Number of artists placed in schools per year	Arts and Culture Promotion and Development	Outcome 1: Quality basic education	340	0	-
Number of flagship cultural events supported per year	Arts and Culture Promotion and Development	Outcome 14: Nation building and social cohesion	25	12	-
Number of language practice bursaries awarded per year	Arts and Culture Promotion and Development	Outcome 14: Nation building and social cohesion	320	- <sup>1</sup>	-
Number of part time job opportunities created across all work streams of the Mzansi golden economy strategy per year	Arts and Culture Promotion and Development	Outcome 4: Decent employment through inclusive economic growth	15 000	- <sup>1</sup>	-
Number of community arts programmes activated per year	Arts and Culture Promotion and Development	Outcome 14: Nation building and social cohesion	150	50	-
Number of flagpoles and flags installed at schools per year	Heritage Promotion and Preservation		500	56	-
Percentage of schools that have booklet and poster (frame) of national symbols and orders per year	Heritage Promotion and Preservation		75% (19 269)	56% (14 316)	-
Number of bursaries in heritage studies awarded per year	Heritage Promotion and Preservation		65	10	-
Number of community libraries built per year	Heritage Promotion and Preservation		23	- <sup>1</sup>	-
Number of community libraries upgraded per year	Heritage Promotion and Preservation		55	- <sup>1</sup>	-

1. The department will report annually on these indicators.

## Mid-year progress

The department put a hold on the placement of artists in schools due to internal budget reprioritisation. As a result, the department will only conclude the signing of a memorandum of understanding with beneficiaries so that artists can be placed in schools in the third quarter.

Poor progress with the installation of flagpoles and flags at schools is attributed to delays in identifying schools that have two flagpoles for the installation of the African Union flag. As a result, the project started late but the department is on track to meet the annual target. Through the Young Patriots programme the department has partnered with the National Youth Development Agency to conduct a verification audit of flags and flagpoles at schools as well as deliver the department's school based education programmes. The delivery of booklets and posters of national symbols to schools will thereby be fast tracked, placing the Department on the path to achieve these targets.

The slow progress in the number of heritage bursaries awarded is due to delays in the signing of a memorandum of agreement between the department and higher education institutions. As a result, only 10 bursaries have been awarded to students at Sol Plaatje University. The department expects to sign memorandums of agreement with the other universities, putting it on track to achieve its target by March 2017.

Apart from these indicators, the department is on track to meet its other performance targets.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	281 119	16 719	-	(35 237)	-	-	(18 518)	262 601
Institutional Governance	364 429	-	-	(14 212)	(25 000)	-	(39 212)	325 217
Arts and Culture Promotion and Development	1 094 707	-	-	(26 471)	-	-	(26 471)	1 068 236
Heritage Promotion and Preservation	2 330 598	-	-	75 920	-	-	75 920	2 406 518
<b>Total</b>	<b>4 070 853</b>	<b>16 719</b>	<b>-</b>	<b>-</b>	<b>(25 000)</b>	<b>-</b>	<b>(8 281)</b>	<b>4 062 572</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>597 183</b>	<b>16 719</b>	<b>-</b>	<b>(31 257)</b>	<b>-</b>	<b>-</b>	<b>(14 538)</b>	<b>582 645</b>
Compensation of employees	238 342	-	-	-	-	-	-	238 342
Goods and services	358 841	16 719	-	(31 257)	-	-	(14 538)	344 303
<b>Transfers and subsidies</b>	<b>3 220 223</b>	<b>-</b>	<b>-</b>	<b>52 096</b>	<b>-</b>	<b>-</b>	<b>52 096</b>	<b>3 272 319</b>
Provinces and municipalities	1 357 132	-	-	-	-	-	-	1 357 132
Departmental agencies and accounts	1 522 154	-	-	47 661	-	-	47 661	1 569 815
Higher education institutions	-	-	-	6 180	-	-	6 180	6 180
Foreign governments and international organisations	3 703	-	-	500	-	-	500	4 203
Public corporations and private enterprises	146 238	-	-	(41 942)	-	-	(41 942)	104 296
Non-profit institutions	163 346	-	-	42 280	-	-	42 280	205 626
Households	27 650	-	-	(2 583)	-	-	(2 583)	25 067
<b>Payments for capital assets</b>	<b>253 447</b>	<b>-</b>	<b>-</b>	<b>(20 839)</b>	<b>(25 000)</b>	<b>-</b>	<b>(45 839)</b>	<b>207 608</b>
Buildings and other fixed structures	239 849	-	-	(27 936)	(25 000)	-	(52 936)	186 913
Machinery and equipment	7 398	-	-	2 914	-	-	2 914	10 312
Heritage assets	-	-	-	2 000	-	-	2 000	2 000
Software and other intangible assets	6 200	-	-	2 183	-	-	2 183	8 383
<b>Total</b>	<b>4 070 853</b>	<b>16 719</b>	<b>-</b>	<b>-</b>	<b>(25 000)</b>	<b>-</b>	<b>(8 281)</b>	<b>4 062 572</b>

**Programme 1: Administration**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	4 558	-	-	-	-	-	-	4 558
Management	50 173	-	-	-	-	-	-	50 173
Corporate Services	83 203	-	-	12 576	-	-	12 576	95 779
Office of the CFO	26 645	-	-	-	-	-	-	26 645
Office Accommodation	116 540	16 719	-	(47 813)	-	-	(31 094)	85 446
<b>Total</b>	<b>281 119</b>	<b>16 719</b>	<b>-</b>	<b>(35 237)</b>	<b>-</b>	<b>-</b>	<b>(18 518)</b>	<b>262 601</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>273 721</b>	<b>16 719</b>	<b>-</b>	<b>(39 434)</b>	<b>-</b>	<b>-</b>	<b>(22 715)</b>	<b>251 006</b>
Compensation of employees	100 424	-	-	-	-	-	-	100 424
Goods and services	173 297	16 719	-	(39 434)	-	-	(22 715)	150 582
<b>Payments for capital assets</b>	<b>7 398</b>	<b>-</b>	<b>-</b>	<b>4 197</b>	<b>-</b>	<b>-</b>	<b>4 197</b>	<b>11 595</b>
Machinery and equipment	7 398	-	-	2 914	-	-	2 914	10 312
Software and other intangible assets	-	-	-	1 283	-	-	1 283	1 283
<b>Total</b>	<b>281 119</b>	<b>16 719</b>	<b>-</b>	<b>(35 237)</b>	<b>-</b>	<b>-</b>	<b>(18 518)</b>	<b>262 601</b>

**Programme 2: Institutional Governance**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
International Co-operation	37 793	-	-	-	-	-	-	37 793
Social Cohesion and Nation Building	50 864	-	-	(2 200)	-	-	(2 200)	48 664
Coordination, Monitoring, Evaluation and Good Governance	19 020	-	-	-	-	-	-	19 020
Capital Works	256 752	-	-	(12 012)	(25 000)	-	(37 012)	219 740
<b>Total</b>	<b>364 429</b>	<b>-</b>	<b>-</b>	<b>(14 212)</b>	<b>(25 000)</b>	<b>-</b>	<b>(39 212)</b>	<b>325 217</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>81 155</b>	<b>-</b>	<b>-</b>	<b>1 252</b>	<b>-</b>	<b>-</b>	<b>1 252</b>	<b>82 407</b>
Compensation of employees	35 832	-	-	-	-	-	-	35 832
Goods and services	45 323	-	-	1 252	-	-	1 252	46 575
<b>Transfers and subsidies</b>	<b>37 225</b>	<b>-</b>	<b>-</b>	<b>13 072</b>	<b>-</b>	<b>-</b>	<b>13 072</b>	<b>50 297</b>
Departmental agencies and accounts	-	-	-	200	-	-	200	200
Foreign governments and international organisations	2 403	-	-	-	-	-	-	2 403
Public corporations and private enterprises	5 000	-	-	(5 000)	-	-	(5 000)	-
Non-profit institutions	20 484	-	-	17 774	-	-	17 774	38 258
Households	9 338	-	-	98	-	-	98	9 436
<b>Payments for capital assets</b>	<b>246 049</b>	<b>-</b>	<b>-</b>	<b>(28 536)</b>	<b>(25 000)</b>	<b>-</b>	<b>(53 536)</b>	<b>192 513</b>
Buildings and other fixed structures	239 849	-	-	(27 936)	(25 000)	-	(52 936)	186 913
Heritage assets	-	-	-	2 000	-	-	2 000	2 000
Software and other intangible assets	6 200	-	-	(2 600)	-	-	(2 600)	3 600
<b>Total</b>	<b>364 429</b>	<b>-</b>	<b>-</b>	<b>(14 212)</b>	<b>(25 000)</b>	<b>-</b>	<b>(39 212)</b>	<b>325 217</b>

**Programme 3: Arts and Culture Promotion and Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
National Language Services	48 508	–	–	–	–	–	–	48 508
Pan South African Language Board	91 967	–	–	1 547	–	–	1 547	93 514
Cultural and Creative Industries Development	356 947	–	–	(2 409)	–	–	(2 409)	354 538
Performing Arts Institutions	326 704	–	–	(10 242)	–	–	(10 242)	316 462
National Film and Video Foundation	122 907	–	–	–	–	–	–	122 907
National Arts Council	101 182	–	–	–	–	–	–	101 182
Capital Works of Performing Arts Institutions	46 492	–	–	(15 367)	–	–	(15 367)	31 125
<b>Total</b>	<b>1 094 707</b>	<b>–</b>	<b>–</b>	<b>(26 471)</b>	<b>–</b>	<b>–</b>	<b>(26 471)</b>	<b>1 068 236</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>113 722</b>	<b>–</b>	<b>–</b>	<b>10 081</b>	<b>–</b>	<b>–</b>	<b>10 081</b>	<b>123 803</b>
Compensation of employees	48 712	–	–	–	–	–	–	48 712
Goods and services	65 010	–	–	10 081	–	–	10 081	75 091
<b>Transfers and subsidies</b>	<b>980 985</b>	<b>–</b>	<b>–</b>	<b>(36 552)</b>	<b>–</b>	<b>–</b>	<b>(36 552)</b>	<b>944 433</b>
Departmental agencies and accounts	697 507	–	–	(27 615)	–	–	(27 615)	669 892
Higher education institutions	–	–	–	6 180	–	–	6 180	6 180
Public corporations and private enterprises	141 238	–	–	(36 942)	–	–	(36 942)	104 296
Non-profit institutions	129 259	–	–	24 506	–	–	24 506	153 765
Households	12 981	–	–	(2 681)	–	–	(2 681)	10 300
<b>Total</b>	<b>1 094 707</b>	<b>–</b>	<b>–</b>	<b>(26 471)</b>	<b>–</b>	<b>–</b>	<b>(26 471)</b>	<b>1 068 236</b>

**Programme 4: Heritage Promotion and Preservation**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Heritage Promotion	87 346	–	–	5 459	–	–	5 459	92 805
National Archive Services	40 343	–	–	1 585	–	–	1 585	41 928
Heritage Institutions	579 708	–	–	31 174	–	–	31 174	610 882
National Library Services	123 411	–	–	9 418	–	–	9 418	132 829
Public Library Services	1 382 671	–	–	–	–	–	–	1 382 671
South African Heritage Resources Agency	51 125	–	–	7 134	–	–	7 134	58 259
South African Geographical Names Council	4 420	–	–	–	–	–	–	4 420
National Heritage Council	61 574	–	–	21 150	–	–	21 150	82 724
<b>Total</b>	<b>2 330 598</b>	<b>–</b>	<b>–</b>	<b>75 920</b>	<b>–</b>	<b>–</b>	<b>75 920</b>	<b>2 406 518</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>128 585</b>	<b>–</b>	<b>–</b>	<b>(3 156)</b>	<b>–</b>	<b>–</b>	<b>(3 156)</b>	<b>125 429</b>
Compensation of employees	53 374	–	–	–	–	–	–	53 374
Goods and services	75 211	–	–	(3 156)	–	–	(3 156)	72 055
<b>Transfers and subsidies</b>	<b>2 202 013</b>	<b>–</b>	<b>–</b>	<b>75 576</b>	<b>–</b>	<b>–</b>	<b>75 576</b>	<b>2 277 589</b>
Provinces and municipalities	1 357 132	–	–	–	–	–	–	1 357 132
Departmental agencies and accounts	824 647	–	–	75 076	–	–	75 076	899 723
Foreign governments and international organisations	1 300	–	–	500	–	–	500	1 800
Non-profit institutions	13 603	–	–	–	–	–	–	13 603
Households	5 331	–	–	–	–	–	–	5 331
<b>Payments for capital assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 500</b>	<b>–</b>	<b>–</b>	<b>3 500</b>	<b>3 500</b>
Software and other intangible assets	–	–	–	3 500	–	–	3 500	3 500
<b>Total</b>	<b>2 330 598</b>	<b>–</b>	<b>–</b>	<b>75 920</b>	<b>–</b>	<b>–</b>	<b>75 920</b>	<b>2 406 518</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Roll-overs – R16.719 million

Programme 1: Administration

R16.719 million has been rolled over to address prior year commitments for operating leases and municipal charges.

### Virements and shifts within votes

#### Programmes

1. Administration
2. Institutional Governance
3. Arts and Culture Promotion and Development
4. Heritage Promotion and Preservation

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(48 499)</b>	<b>Programme 1</b>		<b>686</b>
Machinery and equipment	Reclassification of funds incorrectly classified in the 2016 ENE	(686)	Software and other intangible assets	Reclassified funds allocated to the website development of the National Archives and Records Service of South Africa	686
			<b>Programme 3</b>		<b>1 547</b>
Goods and services	Devolution of function to public entities	(1 547)	Departmental agencies and accounts	Devolution of municipal charges budget to public entities <sup>1</sup>	1 547
	Devolution of function to public entities	(46 266)	<b>Programme 4</b>		<b>46 266</b>
			Departmental agencies and accounts	Devolution of municipal charges budget to public entities <sup>1</sup>	46 266
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>17.0%</b> <sup>2</sup>			
<b>Programme 2</b>		<b>(70 169)</b>	<b>Programme 2</b>		<b>7 737</b>
Public corporations and private enterprises	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(5 000)	Non-profit institutions	Honouring the commitments for the National Heritage Monument statues <sup>1</sup>	5 000
Non-profit institutions	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(1 252)	Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	1 252
	Reallocation of funds from the Gcwala Ngamasiko project <sup>1</sup>	(98)	Households	Participation in the 4 <sup>th</sup> Egypt International Festival <sup>1</sup>	98
	Reallocation of funds from the Delville Wood project <sup>1</sup>	(1 387)	Buildings and other fixed structures	Restoration of the Semora Machel Memorial <sup>1</sup>	1 387
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(2 200)	<b>Programme 4</b>		<b>2 200</b>
			Departmental agencies and accounts	Implementation of the Young South African Patriots programme <sup>1</sup>	2 200
			<b>Programme 1</b>		<b>11 976</b>
Buildings and other fixed structures	Unspent funds due to delays with the heritage legacy projects	(597)	Software and other intangible assets	Network upgrade at the National Archives of South Africa	597
	Unspent funds due to delays with the National Archives project <sup>1</sup>	(8 379)	Goods and services	State Information Technology Agency	8 379
	Unspent funds due to challenges with the implementation of heritage legacy projects	(3 000)	Machinery and equipment	Vehicles for the minister in Pretoria and Cape Town, and archeophones for the digitisation of dictabelts <sup>1</sup>	3 000
			<b>Programme 2</b>		<b>14 113</b>
Buildings and other fixed structures	Reallocation of funds from the Delville Wood and Isandlwana projects Realignment of the capital transfers budget <sup>1</sup>	(12 113)	Non-profit institutions	Construction of statues for the National Heritage Monument and memorials against racism and towards reconciliation <sup>1</sup>	12 113
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(2 000)	Heritage assets	Construction and installation of the Raymond Mhlaba statue in Fort Beaufort <sup>1</sup>	2 000

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Software and other intangible assets	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(28 284)	<b>Programme 4</b>		<b>31 543</b>
	Reallocation of funds from the Vlakplaas, Isandlwana and Delville Wood projects <sup>1</sup>	(3 259)	Departmental agencies and accounts	Implementation of the resistance and liberation heritage route projects <sup>1</sup>	28 284
	Unspent funds due to delays with the web-based infrastructure project	(600)	Goods and services	Upgrades and restoration of the Samora Machel memorial and Chief Tyali projects	3 259
	Efficiency savings on the online map project for the Khoi and San heritage route <sup>1</sup>	(2 000)	<b>Programme 1</b>		<b>600</b>
			Machinery and equipment	Purchase of computer equipment	600
			<b>Programme 2</b>		<b>2 000</b>
			Non-profit institutions	Construction of statues for the National Heritage Monument <sup>1</sup>	2 000
Shifts within the programme as a percentage of the programme budget		6.5%			
Virements to other programmes as a percentage of the programme budget		12.7% <sup>2</sup>			
<b>Programme 3</b>		<b>(93 655)</b>	<b>Programme 2</b>		<b>11 276</b>
Public corporations and private enterprises	Unspent capital works allocation to Windybrow Theatre and various cultural precinct projects <sup>2</sup>	(11 276)	Buildings and other fixed structures	Repairs and maintenance of the Old Library Building and the National Library of South Africa <sup>1</sup>	11 276
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(3 070)	<b>Programme 3</b>		<b>38 666</b>
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(2 699)	Departmental agencies and accounts	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	3 070
	Reclassification of funds incorrectly classified as a transfer in the 2016 ENE <sup>1</sup>	(591)	Higher education institutions	Reclassified funds allocated to the human language technologies projects <sup>1</sup>	2 699
	Reclassification of funds incorrectly classified as a transfer in the 2016 ENE <sup>1</sup>	(31 506)	Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	591
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(800)	Non-profit institutions	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	31 506
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>2</sup>	(1 000)	Households	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	800
Non-profit institutions	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(7 000)	<b>Programme 4</b>		<b>1 000</b>
Households	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(3 481)	Departmental agencies and accounts	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	1 000
Departmental agencies and accounts	Unspent capital works transfer to Windybrow Theatre <sup>2</sup>	(200)	<b>Programme 3</b>		<b>10 481</b>
	Unspent capital works transfer to Windybrow Theatre <sup>2</sup>	(3 598)	Public corporations and private enterprises	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	7 000
	Unspent capital works transfer to Windybrow Theatre <sup>2</sup>	(4 326)	Higher education institutions	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	3 481
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(7 000)	<b>Programme 2</b>		<b>8 124</b>
	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	(9 490)	Departmental agencies and accounts	Completion of the Origins Centre in Johannesburg <sup>1</sup>	200
	Unspent capital works transfer to Windybrow Theatre <sup>2</sup>	(7 618)	Non-profit institutions	Upgrading of the Adams College museum in Durban <sup>2</sup>	3 598
			Buildings and other fixed structures	Repairs and maintenance on the Old Library Building and the National Library of South Africa <sup>2</sup>	4 326
			<b>Programme 3</b>		<b>16 490</b>
			Public corporations and private enterprises	Reclassification of funds incorrectly classified in the 2016 ENE <sup>1</sup>	7 000
			Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	9 490
			<b>Programme 4</b>		<b>7 618</b>
			Departmental agencies and accounts	Capital works at various museums <sup>1</sup>	7 618
Shifts within the programme as a percentage of the programme budget		6.0%			
Virements to other programmes as a percentage of the programme budget		2.6%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>			<b>Programme 4</b>		
Goods and services	Reclassification of funds incorrectly classified in the 2016 ENE	(3 500)	Software and other intangible assets	Reclassification of funds incorrectly classified in the 2016 ENE	3 500
	Reclassification of funds incorrectly classified in the 2016 ENE	(4 000)	Departmental agencies and accounts	Reclassified funds allocated to the Young South African Patriots programme <sup>1</sup>	4 000
	Cost containment measures effected on travel and subsistence	(500)	Foreign governments and international organisations	Operational subsidy to the African World Heritage Fund <sup>1</sup>	500
Departmental agencies and accounts	Unspent capital transfers to heritage institutions <sup>2</sup>	(12 707)	<b>Programme 2</b>		
	Unspent capital transfers to heritage institutions <sup>1</sup>	(1 585)	Buildings and other fixed structures	Upgrading of the air-conditioning system at the National Archives of South Africa <sup>1</sup>	12 707
			<b>Programme 4</b>		
			Goods and services	Repairs and maintenance of the National Archives of South Africa building	1 585
Shifts within the programme as a percentage of the programme budget		0.4%			
Virements to other programmes as a percentage of the programme budget		0.5%			
<b>Total</b>		<b>(234 615)</b>	<b>234 615</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (Act 1 of 1999).

## Declared unspent funds – R25 million

Programme 2: Institutional Governance

R25 million in unspent funds has been declared on capital works for heritage legacy projects due to delays in executing and finalising the projects.

## Other adjustments – R11.788 million

### Funds shifted within a vote following a function shift – R11.788 million

Programme 3: Arts and Culture Promotion and Development

R11.788 million has been transferred from the Windybrow Theatre to the Market Theatre Foundation following the merger of these two institutions.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16				2016/17				
	Audited outcome				Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation/ Total (%)	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
Administration	242 412	165 751	68.4	253 932	104.8	262 601	6.5	146 050	55.6
Institutional Governance	397 558	38 876	9.8	231 730	58.3	325 217	8.0	94 864	29.2
Arts and Culture Promotion and Development	1 076 224	500 606	46.5	973 035	90.4	1 068 236	26.3	606 684	56.8
Heritage Promotion and Preservation	2 109 853	1 023 224	48.5	2 303 656	109.2	2 406 518	59.2	1 128 654	46.9
<b>Total</b>	<b>3 826 047</b>	<b>1 728 457</b>	<b>45.2</b>	<b>3 762 353</b>	<b>98.3</b>	<b>4 062 572</b>	<b>100.0</b>	<b>1 976 252</b>	<b>48.6</b>

2016 Adjusted Estimates of National Expenditure

Economic classification	2015/16					2016/17			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
<b>Current payments</b>	<b>634 730</b>	<b>326 193</b>	<b>51.4</b>	<b>590 639</b>	<b>93.1</b>	<b>582 645</b>	<b>14.3</b>	<b>296 766</b>	<b>50.9</b>
Compensation of employees	220 350	107 991	49.0	214 352	97.3	238 342	5.9	114 198	47.9
Goods and services	414 380	218 000	52.6	376 067	90.8	344 303	8.5	182 568	53.0
Interest and rent on land	–	202	–	220	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>3 073 773</b>	<b>1 398 474</b>	<b>45.5</b>	<b>3 058 104</b>	<b>99.5</b>	<b>3 272 319</b>	<b>80.5</b>	<b>1 628 808</b>	<b>49.8</b>
Provinces and municipalities	1 274 314	620 038	48.7	1 274 317	100.0	1 357 132	33.4	652 948	48.1
Departmental agencies and accounts	1 428 725	613 260	42.9	1 459 809	102.2	1 569 815	38.6	782 236	49.8
Higher education institutions	–	–	–	80	–	6 180	0.2	–	–
Foreign governments and international organisations	4 197	2 298	54.8	3 998	95.3	4 203	0.1	1 963	46.7
Public corporations and private enterprises	175 963	59 382	33.7	108 059	61.4	104 296	2.6	69 181	66.3
Non-profit institutions	161 999	87 045	53.7	186 258	115.0	205 626	5.1	105 607	51.4
Households	28 575	16 451	57.6	25 583	89.5	25 067	0.6	16 873	67.3
<b>Payments for capital assets</b>	<b>117 544</b>	<b>3 734</b>	<b>3.2</b>	<b>113 051</b>	<b>96.2</b>	<b>207 608</b>	<b>5.1</b>	<b>50 600</b>	<b>24.4</b>
Buildings and other fixed structures	107 146	–	–	104 155	97.2	186 913	4.6	49 067	26.3
Machinery and equipment	7 398	1 639	22.2	2 645	35.8	10 312	0.3	847	8.2
Heritage assets	–	15	–	283	–	2 000	–	–	–
Software and other intangible assets	3 000	2 080	69.3	5 968	198.9	8 383	0.2	686	8.2
<b>Payments for financial assets</b>	<b>–</b>	<b>56</b>	<b>–</b>	<b>559</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>78</b>	<b>–</b>
<b>Total</b>	<b>3 826 047</b>	<b>1 728 457</b>	<b>45.2</b>	<b>3 762 353</b>	<b>98.3</b>	<b>4 062 572</b>	<b>100.0</b>	<b>1 976 252</b>	<b>48.6</b>

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 98.3 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R2 billion, or 48.6 per cent of the adjusted appropriation of R4.1 billion for the year. The department is on track with planned expenditure with the exception of compensation of employees, due to vacant posts, and payments for capital assets. The slow expenditure on the latter is on buildings and other fixed structures and is attributed to delays by the Department of Public Works in implementing and invoicing the department for the heritage legacy projects. Expenditure on machinery and equipment and software and other intangible assets has been slow due to delays with the purchase of computer equipment and the website development for the National Archives and Records Service of South Africa. In comparison, mid-year expenditure in 2015/16 was R1.7 billion, or 45.2 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R247.8 million, or 14.3 per cent.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>3 205</b>	<b>2 480</b>	<b>77.4</b>	<b>2 970</b>	<b>92.7</b>	<b>758</b>	<b>2 342</b>	<b>100.0</b>	<b>1 032</b>	<b>44.1</b>
Sales of goods and services produced by department	294	163	55.4	322	109.5	200	305	13.0	167	74.6
Fines, penalties and forfeits	-	-	-	-	-	1	-	-	-	-
Interest, dividends and rent on land	11	4	36.4	8	72.7	7	11	0.5	2	18.2
Sales of capital assets	-	-	-	125	-	-	-	-	-	-
Transactions in financial assets and liabilities	2 900	2 313	79.8	2 515	86.7	550	2 026	86.5	863	93.2
<b>Total</b>	<b>3 205</b>	<b>2 480</b>	<b>77.4</b>	<b>2 970</b>	<b>92.7</b>	<b>758</b>	<b>2 342</b>	<b>100.0</b>	<b>1 032</b>	<b>44.1</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R1 million, or 44.1 per cent of the adjusted revenue estimate of R2.3 million for the year. The department has exceeded the main budget of R758 000 by R274 000 or 36.1 per cent. This is mainly attributed to increased revenue from transactions in financial assets and liabilities due to the recovery of expenditure from prior years. In comparison, mid-year revenue in 2015/16 was R2.5 million, or 77.4 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased by R1.4 million, or 58.4 per cent.

## Changes to transfers and subsidies

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Institutional Governance</b>								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
<b>Capital</b>	-	-	-	200	-	-	200	200
Gauteng Tourism Authority	-	-	-	200	-	-	200	200
<b>Public corporations and private enterprises</b>								
Public corporations								
<b>Other transfers</b>								
<b>Capital</b>	5 000	-	-	(5 000)	-	-	(5 000)	-
National Heritage Monument	5 000	-	-	(5 000)	-	-	(5 000)	-
<b>Non-profit institutions</b>								
<b>Current</b>	15 484	-	-	(3 550)	-	-	(3 550)	11 934
Various Institutions	13 134	-	-	(2 900)	-	-	(2 900)	10 234
Gwala-Ngamasiko Cultural Festival	2 350	-	-	(650)	-	-	(650)	1 700
<b>Capital</b>	1 500	-	-	21 324	-	-	21 324	22 824
Adams College	-	-	-	3 598	-	-	3 598	3 598
Voortrekker Monument	1 500	-	-	(1 387)	-	-	(1 387)	113
National Heritage Company	-	-	-	16 113	-	-	16 113	16 113
The Sankofa Arts Charitable Trust	-	-	-	3 000	-	-	3 000	3 000
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	-	-	-	98	-	-	98	98
Kenneth Arthur Bogosi Bolokwe	-	-	-	98	-	-	98	98

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Arts and Culture Promotion and Development</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>168 886</b>	–	–	<b>(14 943)</b>	–	–	<b>(14 943)</b>	<b>153 943</b>
Pan South African Language Board	91 967	–	–	1 547	–	–	1 547	93 514
The Market Theatre	30 631	–	–	–	–	11 788	11 788	42 419
Windybrow Theatre	11 788	–	–	–	–	(11 788)	(11 788)	–
Mzansi golden economy: Art bank resources	6 000	–	–	(3 000)	–	–	(3 000)	3 000
Various Institutions: Mzansi golden economy: Cultural events	13 500	–	–	(9 000)	–	–	(9 000)	4 500
Various Institutions: Mzansi golden economy: Touring ventures	7 000	–	–	(7 000)	–	–	(7 000)	–
Performing Arts Institutions: Mzansi golden economy: Incubators entrepreneur and local content development	8 000	–	–	2 510	–	–	2 510	10 510
<b>Capital</b>	<b>43 305</b>	–	–	<b>(12 672)</b>	–	–	<b>(12 672)</b>	<b>30 633</b>
The South African State Theatre: Capital works projects	4 800	–	–	2 500	–	–	2 500	7 300
The Playhouse Company: Capital works projects	13 818	–	–	(3 056)	–	–	(3 056)	10 762
The Market Theatre: Capital works projects	24 687	–	–	(12 686)	–	–	(12 686)	12 001
Provincial Departmental Agencies	–	–	–	570	–	–	570	570
<b>Higher education institutions</b>								
<b>Current</b>	<b>–</b>	–	–	<b>6 180</b>	–	–	<b>6 180</b>	<b>6 180</b>
North West University	–	–	–	4 001	–	–	4 001	4 001
Stellenbosch University	–	–	–	2 179	–	–	2 179	2 179
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Other transfers</b>								
<b>Current</b>	<b>4 114</b>	–	–	<b>(2 989)</b>	–	–	<b>(2 989)</b>	<b>1 125</b>
Council for Scientific and Industrial Research	–	–	–	1 125	–	–	1 125	1 125
Human languages technologies projects	4 114	–	–	(4 114)	–	–	(4 114)	–
<b>Capital</b>	<b>46 492</b>	–	–	<b>(39 943)</b>	–	–	<b>(39 943)</b>	<b>6 549</b>
Various Institutions	46 492	–	–	(39 943)	–	–	(39 943)	6 549
<b>Public corporations and private enterprises</b>								
<b>Private enterprises</b>								
<b>Other transfers</b>								
<b>Current</b>	<b>80 532</b>	–	–	<b>5 990</b>	–	–	<b>5 990</b>	<b>86 522</b>
Intsyst Labs cc	–	–	–	1 290	–	–	1 290	1 290
Various Institutions: Mzansi golden economy: Cultural events	63 032	–	–	11 000	–	–	11 000	74 032
Various Institutions: Mzansi golden economy: Touring ventures	4 000	–	–	2 000	–	–	2 000	6 000
Various Institutions: Mzansi golden economy: National Cultural Industries Skills Academy	7 500	–	–	(7 500)	–	–	(7 500)	–
Arts and Culture Industries: Local market development and promotion	6 000	–	–	(800)	–	–	(800)	5 200

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Non-profit institutions</b>								
<b>Current</b>	<b>41 059</b>	–	–	<b>500</b>	–	–	<b>500</b>	<b>41 559</b>
Business and Arts South Africa	8 053	–	–	3 000	–	–	3 000	11 053
Human languages technologies projects	1 000	–	–	(1 000)	–	–	(1 000)	–
Various Institutions: Mzansi golden economy: Touring ventures	3 000	–	–	10 500	–	–	10 500	13 500
Various Institutions: Mzansi golden economy: National Cultural Industries Skills Academy	15 069	–	–	(5 000)	–	–	(5 000)	10 069
Arts and Culture Industries: Local market development and promotion	13 937	–	–	(7 000)	–	–	(7 000)	6 937
<b>Capital</b>	<b>–</b>	–	–	<b>24 006</b>	–	–	<b>24 006</b>	<b>24 006</b>
Kwazulu-Natal Arts and Culture Trust	–	–	–	96	–	–	96	96
Northern Cape Theatre	–	–	–	2 000	–	–	2 000	2 000
Non Profit Organisations	–	–	–	21 910	–	–	21 910	21 910
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	<b>11 481</b>	–	–	<b>(2 681)</b>	–	–	<b>(2 681)</b>	<b>8 800</b>
Language development projects	9 481	–	–	(3 481)	–	–	(3 481)	6 000
Various Institutions: Mzansi golden economy: Touring ventures	1 000	–	–	1 000	–	–	1 000	2 000
Various Institutions: Mzansi golden economy: Export market development and promotion	1 000	–	–	(1 000)	–	–	(1 000)	–
Arts and Culture Industries: Local market development and promotion	–	–	–	800	–	–	800	800
<b>Heritage Promotion and Preservation</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>524 489</b>	–	–	<b>57 466</b>	–	–	<b>57 466</b>	<b>581 955</b>
Die Afrikaanse Taalmuseum en -monument	5 894	–	–	1 519	–	–	1 519	7 413
Iziko Museums: Cape Town	71 958	–	–	6 815	–	–	6 815	78 773
Luthuli Museum: Stanger	9 848	–	–	179	–	–	179	10 027
KwaZulu-Natal Museum: Pietermaritzburg	19 138	–	–	4 014	–	–	4 014	23 152
National Museum: Bloemfontein	45 630	–	–	3 440	–	–	3 440	49 070
Nelson Mandela Museum: Mthatha	22 264	–	–	2 765	–	–	2 765	25 029
Robben Island Museum: Cape Town	72 045	–	–	9	–	–	9	72 054
South African Heritage Resources Agency	51 125	–	–	5 000	–	–	5 000	56 125
The National English Literary Museum: Grahamstown	9 535	–	–	6 050	–	–	6 050	15 585
Voortrekker Museum: Pietermaritzburg	13 146	–	–	854	–	–	854	14 000
War Museum of the Boer Republics: Bloemfontein	9 604	–	–	951	–	–	951	10 555
William Humphreys Art Gallery: Kimberley	6 564	–	–	1 587	–	–	1 587	8 151
Ditsong Museums of South Africa: Pretoria	73 080	–	–	8 665	–	–	8 665	81 745
National Library of South Africa	96 361	–	–	8 977	–	–	8 977	105 338
South African Library for the Blind	18 297	–	–	441	–	–	441	18 738
National Youth Development Agency	–	–	–	6 200	–	–	6 200	6 200

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Capital</b>	<b>146 386</b>	–	–	<b>17 610</b>	–	–	<b>17 610</b>	<b>163 996</b>
National Heritage Council	–	–	–	21 150	–	–	21 150	21 150
Iziko Museums: Cape Town: Capital works projects	75 288	–	–	(13 242)	–	–	(13 242)	62 046
South African Heritage Resources Agency: Capital works projects	–	–	–	2 134	–	–	2 134	2 134
Luthuli Museum: Stanger: Capital works projects	500	–	–	5 467	–	–	5 467	5 967
William Humphreys Art Gallery: Kimberley: Capital works projects	–	–	–	1 000	–	–	1 000	1 000
War Museum of the Boer Republics: Bloemfontein: Capital works projects	–	–	–	1 148	–	–	1 148	1 148
Ditsong Museums of South Africa: Pretoria: Capital works projects	5 128	–	–	(4 461)	–	–	(4 461)	667
National Museum: Bloemfontein: Capital works projects	–	–	–	395	–	–	395	395
The National English Literary Museum: Grahamstown: Capital works projects	50 041	–	–	(7 368)	–	–	(7 368)	42 673
Robben Island Museum: Cape Town: Capital works projects	15 429	–	–	11 387	–	–	11 387	26 816
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>1 300</b>	–	–	<b>500</b>	–	–	<b>500</b>	<b>1 800</b>
African World Heritage Fund	1 300	–	–	500	–	–	500	1 800

# Vote 38

## Human Settlements

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>30 690 856</b>	<b>30 696 356</b>	<b>-</b>	<b>5 500</b>
<b>of which:</b>				
Current payments	758 924	757 793	(1 131)	-
Transfers and subsidies	29 826 466	29 821 469	(4 997)	-
Payments for capital assets	5 466	17 061	-	11 595
Payments for financial assets	100 000	100 033	-	33
Executive authority	Minister of Human Settlements			
Accounting officer	Director-General of Human Settlements			
Website address	www.dhs.gov.za			

### Vote purpose

*Facilitate the creation of sustainable human settlements and the improvement to household quality of life.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of municipalities assessed for accreditation per year	Human Settlements Policy, Strategy and Planning	Outcome 8: Sustainable human settlements and improved quality of household life	7	0	-
Number of municipalities provided with technical assistance for informal settlement upgrading per year	Human Settlements Delivery Support		53	61	-
Number of informal settlements assessed per year	Human Settlements Delivery Support		473	229	-
Number of additional People's Housing Process subsidies allocated to approved beneficiaries per year	Human Settlements Delivery Support		7 000	3 500	-
Number of subsidy housing units provided per year	Housing Development Finance		108 017	16 832 <sup>1</sup>	-
Number of additional households living in affordable rental housing units per year	Housing Development Finance		5 447	143 <sup>1</sup>	-
Number of additional households living in informal settlements upgraded to level 2 in terms of the upgrading informal settlements programme per year	Housing Development Finance		189 039	24 324 <sup>1</sup>	-
Number of finance linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance		17 231	490 <sup>1</sup>	-
Total value of finance linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance		R422m	R10m	-
Number of catalytic projects initiated per year	Housing Development Finance		12	0	-

<sup>1</sup> Only data for the first quarter of 2016/17 is currently available.

### Mid-year progress

In the first half of 2016/17, 3 500 people's housing process subsidies were approved and allocated to qualifying beneficiaries, amounting to 50 per cent of the annual target, reflecting good progress to date. By the end of the first quarter, only 16 832 fully subsidised housing units were delivered and 24 324 households

in informal settlements were upgraded, representing 15.6 per cent and 12.9 per cent achievement against the annual targets respectively.

No new municipalities were assessed for accreditation against a target of 7 in the first half of the financial year. This is largely as a result of the uncertainty around the revised accreditation framework. By the end of June 2016, only 143 affordable rental units were delivered, against a target of 5 447. This is largely due to the slow process of unblocking the previously stalled social housing project pipeline. In addition, R10 million was disbursed to 490 qualifying finance linked individual subsidy beneficiaries in the affordable housing market segment, representing a 2.8 per cent achievement in the first quarter of the financial year against an annual target of 17 231 subsidies.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	442 274	17 500	–	284	–	–	17 784	460 058
Human Settlements Policy, Strategy and Planning	83 063	–	–	5 000	–	–	5 000	88 063
Human Settlements Delivery Support	224 582	–	–	4 716	(12 000)	–	(7 284)	217 298
Housing Development Finance	29 940 937	–	–	(10 000)	–	–	(10 000)	29 930 937
<b>Total</b>	<b>30 690 856</b>	<b>17 500</b>	<b>–</b>	<b>–</b>	<b>(12 000)</b>	<b>–</b>	<b>5 500</b>	<b>30 696 356</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>758 924</b>	<b>10 000</b>	<b>–</b>	<b>869</b>	<b>(12 000)</b>	<b>–</b>	<b>(1 131)</b>	<b>757 793</b>
Compensation of employees	383 491	–	–	–	(12 000)	–	(12 000)	371 491
Goods and services	375 433	10 000	–	869	–	–	10 869	386 302
<b>Transfers and subsidies</b>	<b>29 826 466</b>	<b>–</b>	<b>–</b>	<b>(4 997)</b>	<b>–</b>	<b>–</b>	<b>(4 997)</b>	<b>29 821 469</b>
Provinces and municipalities	29 123 459	–	–	–	–	–	–	29 123 459
Departmental agencies and accounts	692 395	–	–	(10 000)	–	–	(10 000)	682 395
Foreign governments and international organisations	1 211	–	–	–	–	–	–	1 211
Public corporations and private enterprises	–	–	–	5 000	–	–	5 000	5 000
Households	9 401	–	–	3	–	–	3	9 404
<b>Payments for capital assets</b>	<b>5 466</b>	<b>7 500</b>	<b>–</b>	<b>4 095</b>	<b>–</b>	<b>–</b>	<b>11 595</b>	<b>17 061</b>
Machinery and equipment	5 197	7 500	–	4 074	–	–	11 574	16 771
Software and other intangible assets	269	–	–	21	–	–	21	290
<b>Payments for financial assets</b>	<b>100 000</b>	<b>–</b>	<b>–</b>	<b>33</b>	<b>–</b>	<b>–</b>	<b>33</b>	<b>100 033</b>
<b>Total</b>	<b>30 690 856</b>	<b>17 500</b>	<b>–</b>	<b>–</b>	<b>(12 000)</b>	<b>–</b>	<b>5 500</b>	<b>30 696 356</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	60 222	–	–	–	–	–	–	60 222
Departmental Management	102 143	–	–	–	–	–	–	102 143
Corporate Services	188 160	17 500	–	284	–	–	17 784	205 944
Property Management	39 900	–	–	–	–	–	–	39 900
Financial Management	51 849	–	–	–	–	–	–	51 849
<b>Total</b>	<b>442 274</b>	<b>17 500</b>	<b>–</b>	<b>284</b>	<b>–</b>	<b>–</b>	<b>17 784</b>	<b>460 058</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>438 900</b>	<b>10 000</b>	<b>–</b>	<b>(3 555)</b>	<b>–</b>	<b>–</b>	<b>6 445</b>	<b>445 345</b>
Compensation of employees	216 458	–	–	–	–	–	–	216 458
Goods and services	222 442	10 000	–	(3 555)	–	–	6 445	228 887

**Programme 1: Administration (continued)**

Economic classification	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Transfers and subsidies</b>	<b>46</b>	-	-	3	-	-	3	<b>49</b>	
Households	46	-	-	3	-	-	3	49	
<b>Payments for capital assets</b>	<b>3 328</b>	<b>7 500</b>	-	<b>3 804</b>	-	-	<b>11 304</b>	<b>14 632</b>	
Machinery and equipment	3 059	7 500	-	3 783	-	-	11 283	14 342	
Software and other intangible assets	269	-	-	21	-	-	21	290	
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>32</b>	-	-	<b>32</b>	<b>32</b>	
<b>Total</b>	<b>442 274</b>	<b>17 500</b>	<b>-</b>	<b>284</b>	<b>-</b>	<b>-</b>	<b>17 784</b>	<b>460 058</b>	

**Programme 2: Human Settlements Policy, Strategy and Planning**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Management for Policy, Strategy and Planning	7 424	-	-	-	-	-	-	7 424	
Human Settlements Policy Frameworks	30 852	-	-	100	-	-	100	30 952	
Human Settlements Strategy and Planning	44 787	-	-	4 900	-	-	4 900	49 687	
<b>Total</b>	<b>83 063</b>	<b>-</b>	<b>-</b>	<b>5 000</b>	<b>-</b>	<b>-</b>	<b>5 000</b>	<b>88 063</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>80 985</b>	-	-	<b>(120)</b>	-	-	<b>(120)</b>	<b>80 865</b>	
Compensation of employees	55 724	-	-	-	-	-	-	55 724	
Goods and services	25 261	-	-	(120)	-	-	(120)	25 141	
<b>Transfers and subsidies</b>	<b>1 211</b>	-	-	<b>5 000</b>	-	-	<b>5 000</b>	<b>6 211</b>	
Foreign governments and international organisations	1 211	-	-	-	-	-	-	1 211	
Public corporations and private enterprises	-	-	-	5 000	-	-	5 000	5 000	
<b>Payments for capital assets</b>	<b>867</b>	-	-	<b>119</b>	-	-	<b>119</b>	<b>986</b>	
Machinery and equipment	867	-	-	119	-	-	119	986	
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>1</b>	-	-	<b>1</b>	<b>1</b>	
<b>Total</b>	<b>83 063</b>	<b>-</b>	<b>-</b>	<b>5 000</b>	<b>-</b>	<b>-</b>	<b>5 000</b>	<b>88 063</b>	

**Programme 3: Human Settlements Delivery Support**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Management for Human Settlements Delivery Support	9 240	-	-	-	-	-	-	9 240	
Programme Management Unit	165 021	-	-	-	(12 000)	-	(12 000)	153 021	
Chief of Operations	50 321	-	-	4 716	-	-	4 716	55 037	
<b>Total</b>	<b>224 582</b>	<b>-</b>	<b>-</b>	<b>4 716</b>	<b>(12 000)</b>	<b>-</b>	<b>(7 284)</b>	<b>217 298</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>214 178</b>	-	-	<b>4 564</b>	<b>(12 000)</b>	-	<b>(7 436)</b>	<b>206 742</b>	
Compensation of employees	93 259	-	-	-	(12 000)	-	(12 000)	81 259	
Goods and services	120 919	-	-	4 564	-	-	4 564	125 483	
<b>Transfers and subsidies</b>	<b>9 355</b>	-	-	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 355</b>	
Households	9 355	-	-	-	-	-	-	9 355	
<b>Payments for capital assets</b>	<b>1 049</b>	-	-	<b>152</b>	<b>-</b>	<b>-</b>	<b>152</b>	<b>1 201</b>	
Machinery and equipment	1 049	-	-	152	-	-	152	1 201	
<b>Total</b>	<b>224 582</b>	<b>-</b>	<b>-</b>	<b>4 716</b>	<b>(12 000)</b>	<b>-</b>	<b>(7 284)</b>	<b>217 298</b>	

**Programme 4: Housing Development Finance**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management for Housing Development Finance	3 741	-	-	-	-	-	-	3 741
Chief Investment Officer	21 342	-	-	-	-	-	-	21 342
Human Settlements Development Grant	18 283 991	-	-	-	-	-	-	18 283 991
Contributions	792 395	-	-	(10 000)	-	-	(10 000)	782 395
Urban Settlements Development Grant	10 839 468	-	-	-	-	-	-	10 839 468
<b>Total</b>	<b>29 940 937</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>29 930 937</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>24 861</b>	<b>-</b>	<b>-</b>	<b>(20)</b>	<b>-</b>	<b>-</b>	<b>(20)</b>	<b>24 841</b>
Compensation of employees	18 050	-	-	-	-	-	-	18 050
Goods and services	6 811	-	-	(20)	-	-	(20)	6 791
<b>Transfers and subsidies</b>	<b>29 815 854</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>29 805 854</b>
Provinces and municipalities	29 123 459	-	-	-	-	-	-	29 123 459
Departmental agencies and accounts	692 395	-	-	(10 000)	-	-	(10 000)	682 395
<b>Payments for capital assets</b>	<b>222</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>242</b>
Machinery and equipment	222	-	-	20	-	-	20	242
<b>Payments for financial assets</b>	<b>100 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100 000</b>
<b>Total</b>	<b>29 940 937</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>29 930 937</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Roll-overs – R17.500 million**

Programme 1: Administration

R10 million has been rolled over for the payment of Microsoft software licences.

R7.500 million has been rolled over for the purchasing of computer network switches from the State Information Technology Agency.

**Virements and shifts within vote**

Programmes					
1. Administration					
2. Human Settlements Policy, Strategy and Planning					
3. Human Settlements Delivery Support					
4. Housing Development Finance					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(3 839)</b>	<b>Programme 1</b>		<b>3 839</b>
Goods and services	Reallocation of funds from various non-core goods and services items	(32)	Payments for financial assets	Approved losses due to vehicle damages, and loss of equipment	32
	Reclassification of funds from equipment less than R5 000	(3 783)	Machinery and equipment	IT equipment, audio visual equipment office equipment, and furniture	3 783
	Reallocation of funds from various non-core goods and services items	(21)	Software and other intangible assets	Software licences	21
	Reallocation from various non-core goods and services items	(3)	Households	Leave gratuities	3
Shifts within the programme as a percentage of the programme budget		0.9%			
Virements to other programmes as a percentage of the programme budget		0.0%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(120)</b>	<b>Programme 2</b>		<b>120</b>
Goods and services	Reallocation of funds from various non-core goods and services items	(1)	Payments for financial assets	Approved losses due to vehicle damages and loss of equipment	1
	Reclassification of funds from equipment less than R5 000	(119)	Machinery and equipment	Kitchen appliances and IT equipment	119
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(436)</b>	<b>Programme 1</b>		<b>284</b>
Goods and services	Reallocation of funds from various non-core goods and services items	(284)	Goods and services	Funding for the drafting of legislation for human settlements development finance institutions	284
	Reclassification of funds from equipment less than R5 000	(152)	<b>Programme 3</b>		<b>152</b>
			Machinery and equipment	IT equipment and office furniture	152
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Programme 4</b>		<b>(10 020)</b>	<b>Programme 4</b>		<b>20</b>
Goods and services	Reallocation of funds from various non-core goods and services items	(20)	Machinery and equipment	IT equipment	20
			<b>Programme 2</b>		<b>5 000</b>
Departmental agencies and accounts	Reprioritisation of uncommitted funds from the allocation for the national upgrading support programme of the Housing Development Agency <sup>1</sup>	(5 000)	Public corporations and private enterprises	Review of guidelines for the planning and design of human settlements <sup>1</sup>	5 000
	Reprioritisation of uncommitted funds from the allocation for the national upgrading support programme of the Housing Development Agency <sup>1</sup>	(5 000)	<b>Programme 3</b>		<b>5 000</b>
			Goods and services	Technical services for the consolidation of human settlements development finance institutions <sup>1</sup>	5 000
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(14 415)</b>			<b>14 415</b>

1. National Treasury approval has been obtained.

## Declared unspent funds – R12 million

Programme 3: Human Settlements Delivery Support

R12 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	% of adjusted appropriation	Apr 15 - Mar 16	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	% of adjusted appropriation	
R thousand										
Administration	420 616	184 729	43.9	411 074	97.7	460 058	1.5	197 641	43.0	
Human Settlements	73 538	34 678	47.2	75 738	103.0	88 063	0.3	35 457	40.3	
Policy, Strategy and Planning										
Human Settlements Delivery Support	185 600	51 566	27.8	120 796	65.1	217 298	0.7	58 908	27.1	
Housing Development Finance	29 863 627	12 855 933	43.0	29 426 936	98.5	29 930 937	97.5	12 737 748	42.6	
<b>Total</b>	<b>30 543 381</b>	<b>13 126 906</b>	<b>43.0</b>	<b>30 034 544</b>	<b>98.3</b>	<b>30 696 356</b>	<b>100.0</b>	<b>13 029 754</b>	<b>42.4</b>	

2016 Adjusted Estimates of National Expenditure

Economic classification	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
<b>Current payments</b>	<b>674 756</b>	<b>267 354</b>	<b>39.6</b>	<b>603 669</b>	<b>89.5</b>	<b>757 563</b>	<b>2.5</b>	<b>295 589</b>	<b>39.0</b>	
Compensation of employees	320 760	151 620	47.3	310 151	96.7	371 491	1.2	160 312	43.2	
Goods and services	353 992	115 730	32.7	293 514	82.9	386 072	1.3	135 265	35.0	
Interest and rent on land	4	4	100.0	4	100.0	-	-	12	-	
<b>Transfers and subsidies</b>	<b>29 692 705</b>	<b>12 753 953</b>	<b>43.0</b>	<b>29 255 449</b>	<b>98.5</b>	<b>29 821 469</b>	<b>97.1</b>	<b>12 631 002</b>	<b>42.4</b>	
Provinces and municipalities	28 957 020	12 596 574	43.5	28 957 020	100.0	29 123 459	94.9	12 512 111	43.0	
Departmental agencies and accounts	724 507	150 588	20.8	287 906	39.7	682 395	2.2	115 392	16.9	
Foreign governments and international organisations	1 150	1 368	119.0	1 368	119.0	1 211	-	-	-	
Households	10 028	5 423	54.1	9 155	91.3	9 404	-	3 499	37.2	
<b>Payments for capital assets</b>	<b>14 826</b>	<b>5 507</b>	<b>37.1</b>	<b>14 108</b>	<b>95.2</b>	<b>17 291</b>	<b>0.1</b>	<b>3 153</b>	<b>18.2</b>	
Buildings and other fixed structures	245	236	96.3	236	96.3	-	-	-	-	
Machinery and equipment	14 526	5 271	36.3	13 810	95.1	17 001	0.1	3 133	18.4	
Software and other intangible assets	55	-	-	62.1	112.7	290	-	20	6.9	
<b>Payments for financial assets</b>	<b>161 094</b>	<b>100 092</b>	<b>62.1</b>	<b>161 318</b>	<b>100.1</b>	<b>100 033</b>	<b>0.3</b>	<b>100 010</b>	<b>100.0</b>	
<b>Total</b>	<b>30 543 381</b>	<b>13 126 906</b>	<b>43.0</b>	<b>30 034 544</b>	<b>98.3</b>	<b>30 696 356</b>	<b>100.0</b>	<b>13 029 754</b>	<b>42.4</b>	

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 98.3 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 amounted to R13 billion, or 42.4 per cent of the adjusted appropriation of R30.7 billion for the year. In comparison, mid-year expenditure in 2015/16 was R13.1 billion, or 43 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R97.2 million, or 0.7 per cent. The decrease in expenditure can mainly be attributed to the lower amount budgeted for in the first tranche of the urban settlements development grant transfer made to metropolitan municipalities, compared to the same period in 2015/16.

### Departmental receipts

Economic classification	2015/16					2016/17				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>1 695</b>	<b>924</b>	<b>54.5</b>	<b>1 237</b>	<b>73.0</b>	<b>519</b>	<b>764</b>	<b>100.0</b>	<b>339</b>	<b>44.4</b>
Sales of goods and services produced by department	210	98	46.7	199	94.8	214	205	26.8	100	48.8
Sales of scrap, waste, arms and other used current goods	5	1	20.0	3	60.0	5	2	0.3	1	50.0
Transfers received	-	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	300	155	51.7	166	55.3	300	12	1.6	6	50.0
Sales of capital assets	-	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	1 180	670	56.8	869	73.6	-	545	71.3	232	42.6
<b>Total</b>	<b>1 695</b>	<b>924</b>	<b>54.5</b>	<b>1 237</b>	<b>73.0</b>	<b>519</b>	<b>764</b>	<b>100.0</b>	<b>339</b>	<b>44.4</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R339 000, or 44.4 per cent of the adjusted revenue estimate of R764 000 for the year. In comparison, mid-year revenue in 2015/16 was R924 000, or 54.5 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 decreased significantly by R585 000 or 63.3 per cent and can be attributed to a refund of fees paid by the South African Cities Network in 2015/16. Revenue generated by the department is largely driven by payments of debt owed to the department, interest on debt accrued from suppliers and staff, and costs recovered from staff, such as damage to vehicles and loss of assets.

## Changes to transfers and subsidies

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

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	-	-	-	3	-	-	3	3
Transfers to households	-	-	-	3	-	-	3	3
<b>Human Settlements Policy, Strategy and Planning</b>								
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Other transfers</b>								
<b>Current</b>	-	-	-	5 000	-	-	5 000	5 000
Council for Scientific and Industrial Research	-	-	-	5 000	-	-	5 000	5 000
<b>Housing Development Finance</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	167 512	-	-	(10 000)	-	-	(10 000)	157 512
Housing Development Agency	167 512	-	-	(10 000)	-	-	(10 000)	157 512



# Vote 39

## Rural Development and Land Reform

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>10 124 345</b>	<b>10 124 345</b>	-	-
<b>of which:</b>				
Current payments	3 822 745	3 842 709	-	19 964
Transfers and subsidies	6 282 153	6 225 237	(56 916)	-
Payments for capital assets	19 447	56 399	-	36 952
Executive authority	Minister of Rural Development and Land Reform			
Accounting officer	Director-General of Rural Development and Land Reform			
Website address	www.ruraldevelopment.gov.za			

### Vote purpose

*Create and maintain an equitable and sustainable land dispensation and act as a catalyst in rural development to ensure sustainable rural livelihoods, decent work and continued social and economic advancement for all South Africans.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of youth recruited through the national rural youth service corps per year	Rural Development	Outcome 7: Comprehensive rural development and land reform	2 700	0	-
Number of agricultural enterprises supported per year	Rural Development		132	84	-
Number of infrastructure projects implemented per year	Rural Development		340	193	-
Number of land claims finalised per year	Restitution		371	192	-
Number of hectares acquired per year	Land Reform		180 000ha	70 778ha	-
Number of farms under recapitalisation and development per year	Land Reform		351	186	-

### Mid-year progress

Although the department under-achieved against a number of performance indicators in the first six months of 2016/17, the targets for these are expected to be fully met by the end of the year.

84 enterprises were supported through rural development initiatives, against the annual target of 132. This was due to the implementation of related programmes such as agri-parks, which provide marketing and production inputs. The department facilitated 193 infrastructure projects, against the annual target of 340. This achievement was due to the need to speed up service delivery.

In relation to restoring land rights or alternative forms of equitable redress to claimants, the Land Claims Commission finalised 192 claims against the annual target of 371, representing a 52 per cent achievement of the annual target. This achievement was due to the need to speed up restitution. The department acquired 70 778 hectares of land against the annual target of 180 000 hectares. The slow progress was due to price

fluctuations from the time negotiations start to when the sale is finalised, as well as the fact that some cases are only resolved in court.

186 farms were placed under the recapitalisation and development programme, against the annual target of 351. This result was due to the need to speed up the land reform process.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand							
Administration	1 462 058	-	-	120 483	-	-	1 582 541
National Geomatics Management Services	817 913	-	-	(103 542)	-	-	714 371
Rural Development	1 914 367	-	-	-	-	-	1 914 367
Restitution	3 168 208	-	-	-	-	-	3 168 208
Land Reform	2 761 799	-	-	(16 941)	-	-	2 744 858
<b>Total</b>	<b>10 124 345</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 124 345</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>3 822 745</b>	<b>-</b>	<b>-</b>	<b>19 964</b>	<b>-</b>	<b>-</b>	<b>3 842 709</b>
Compensation of employees	2 142 593	-	-	-	-	-	2 142 593
Goods and services	1 680 152	-	-	19 964	-	-	1 700 116
<b>Transfers and subsidies</b>	<b>6 282 153</b>	<b>-</b>	<b>-</b>	<b>(56 916)</b>	<b>-</b>	<b>-</b>	<b>6 225 237</b>
Provinces and municipalities	83 304	-	-	9 977	-	-	93 281
Departmental agencies and accounts	1 592 544	-	-	(67 639)	-	-	1 524 905
Foreign governments and international organisations	1 574	-	-	-	-	-	1 574
Public corporations and private enterprises	1	-	-	-	-	-	1
Non-profit institutions	3 326	-	-	-	-	-	3 326
Households	4 601 404	-	-	746	-	-	4 602 150
<b>Payments for capital assets</b>	<b>19 447</b>	<b>-</b>	<b>-</b>	<b>36 952</b>	<b>-</b>	<b>-</b>	<b>56 399</b>
Buildings and other fixed structures	-	-	-	7 135	-	-	7 135
Machinery and equipment	18 347	-	-	26 511	-	-	44 858
Land and subsoil assets	-	-	-	4 406	-	-	4 406
Software and other intangible assets	1 100	-	-	(1 100)	-	-	-
<b>Total</b>	<b>10 124 345</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 124 345</b>

### Programme 1: Administration

Subprogramme	2016/17						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand							
Ministry	38 646	-	-	1 832	-	-	40 478
Management	153 321	-	-	5 518	-	-	158 839
Internal Audit	47 771	-	-	50	-	-	47 821
Corporate Services	406 039	-	-	42 964	-	-	449 003
Financial Services	227 153	-	-	65 586	-	-	292 739
Provincial Coordination	334 066	-	-	2 563	-	-	336 629
Office Accommodation	255 062	-	-	1 970	-	-	257 032
<b>Total</b>	<b>1 462 058</b>	<b>-</b>	<b>-</b>	<b>120 483</b>	<b>-</b>	<b>-</b>	<b>1 582 541</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>1 455 685</b>	<b>-</b>	<b>-</b>	<b>106 367</b>	<b>-</b>	<b>-</b>	<b>1 562 052</b>
Compensation of employees	696 352	-	-	21 844	-	-	718 196
Goods and services	759 333	-	-	84 523	-	-	843 856
<b>Transfers and subsidies</b>	<b>435</b>	<b>-</b>	<b>-</b>	<b>615</b>	<b>-</b>	<b>-</b>	<b>1 050</b>
Provinces and municipalities	11	-	-	20	-	-	31
Households	424	-	-	595	-	-	1 019
<b>Payments for capital assets</b>	<b>5 938</b>	<b>-</b>	<b>-</b>	<b>13 501</b>	<b>-</b>	<b>-</b>	<b>19 439</b>
Buildings and other fixed structures	-	-	-	7 135	-	-	7 135
Machinery and equipment	5 938	-	-	6 366	-	-	12 304
<b>Total</b>	<b>1 462 058</b>	<b>-</b>	<b>-</b>	<b>120 483</b>	<b>-</b>	<b>-</b>	<b>1 582 541</b>

**Programme 2: National Geomatics Management Services**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
National Geomatics Management Services	565 010	-	-	(27 421)	-	-	(27 421)	537 589
Spatial Planning and Land Use Management	177 938	-	-	(8 482)	-	-	(8 482)	169 456
Registration of Deeds Trading Account	67 639	-	-	(67 639)	-	-	(67 639)	-
South African Council for Planners	3 326	-	-	-	-	-	-	3 326
South African Geomatics Council	4 000	-	-	-	-	-	-	4 000
<b>Total</b>	<b>817 913</b>	<b>-</b>	<b>-</b>	<b>(103 542)</b>	<b>-</b>	<b>-</b>	<b>(103 542)</b>	<b>714 371</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>711 769</b>	<b>-</b>	<b>-</b>	<b>(39 165)</b>	<b>-</b>	<b>-</b>	<b>(39 165)</b>	<b>672 604</b>
Compensation of employees	504 884	-	-	(19 903)	-	-	(19 903)	484 981
Goods and services	206 885	-	-	(19 262)	-	-	(19 262)	187 623
<b>Transfers and subsidies</b>	<b>100 974</b>	<b>-</b>	<b>-</b>	<b>(66 705)</b>	<b>-</b>	<b>-</b>	<b>(66 705)</b>	<b>34 269</b>
Provinces and municipalities	21	-	-	(6)	-	-	(6)	15
Departmental agencies and accounts	71 639	-	-	(67 639)	-	-	(67 639)	4 000
Foreign governments and international organisations	1 574	-	-	-	-	-	-	1 574
Non-profit institutions	3 326	-	-	-	-	-	-	3 326
Households	24 414	-	-	940	-	-	940	25 354
<b>Payments for capital assets</b>	<b>5 170</b>	<b>-</b>	<b>-</b>	<b>2 328</b>	<b>-</b>	<b>-</b>	<b>2 328</b>	<b>7 498</b>
Machinery and equipment	4 070	-	-	3 428	-	-	3 428	7 498
Software and other intangible assets	1 100	-	-	(1 100)	-	-	(1 100)	-
<b>Total</b>	<b>817 913</b>	<b>-</b>	<b>-</b>	<b>(103 542)</b>	<b>-</b>	<b>-</b>	<b>(103 542)</b>	<b>714 371</b>

**Programme 3: Rural Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Rural Infrastructure Development	906 544	-	-	-	-	-	-	906 544
Rural Enterprise and Industrial Development	581 840	-	-	-	-	-	-	581 840
National Rural Youth Services Corps	425 983	-	-	-	-	-	-	425 983
<b>Total</b>	<b>1 914 367</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 914 367</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>388 094</b>	<b>-</b>	<b>-</b>	<b>(9 224)</b>	<b>-</b>	<b>-</b>	<b>(9 224)</b>	<b>378 870</b>
Compensation of employees	282 506	-	-	-	-	-	-	282 506
Goods and services	105 588	-	-	(9 224)	-	-	(9 224)	96 364
<b>Transfers and subsidies</b>	<b>1 521 909</b>	<b>-</b>	<b>-</b>	<b>5 314</b>	<b>-</b>	<b>-</b>	<b>5 314</b>	<b>1 527 223</b>
Households	1 521 909	-	-	5 314	-	-	5 314	1 527 223
<b>Payments for capital assets</b>	<b>4 364</b>	<b>-</b>	<b>-</b>	<b>3 910</b>	<b>-</b>	<b>-</b>	<b>3 910</b>	<b>8 274</b>
Machinery and equipment	4 364	-	-	3 910	-	-	3 910	8 274
<b>Total</b>	<b>1 914 367</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 914 367</b>

**Programme 4: Restitution**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Restitution National Office	217 546	-	-	-	-	-	-	217 546
Restitution Regional Offices	437 740	-	-	4 293	-	-	4 293	442 033
Restitution Grants	2 512 922	-	-	(4 293)	-	-	(4 293)	2 508 629
<b>Total</b>	<b>3 168 208</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 168 208</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>647 564</b>	<b>-</b>	<b>-</b>	<b>(7 972)</b>	<b>-</b>	<b>-</b>	<b>(7 972)</b>	<b>639 592</b>
Compensation of employees	336 637	-	-	-	-	-	-	336 637
Goods and services	310 927	-	-	(7 972)	-	-	(7 972)	302 955

**Programme 4: Restitution (continued)**

Economic classification		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Transfers and subsidies</b>	<b>2 518 185</b>	–	–	<b>(2 105)</b>	–	–	<b>(2 105)</b>	<b>2 516 080</b>
Provinces and municipalities	4 954	–	–	2 216	–	–	2 216	7 170
Households	2 513 231	–	–	(4 321)	–	–	(4 321)	2 508 910
<b>Payments for capital assets</b>	<b>2 459</b>	–	–	<b>10 077</b>	–	–	<b>10 077</b>	<b>12 536</b>
Machinery and equipment	2 459	–	–	5 671	–	–	5 671	8 130
Land and subsoil assets	–	–	–	4 406	–	–	4 406	4 406
<b>Total</b>	<b>3 168 208</b>	–	–	–	–	–	–	<b>3 168 208</b>

**Programme 5: Land Reform**

Subprogramme		2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Land Reform National Office	242 678	–	–	(24 800)	–	–	(24 800)	217 878
Land Reform Provincial Offices	451 790	–	–	559	–	–	559	452 349
Land Reform Grants	539 426	–	–	–	–	–	–	539 426
KwaZulu-Natal Ingonyama Trust Board	18 788	–	–	–	–	–	–	18 788
Agricultural Land Holding Account	1 502 117	–	–	–	–	–	–	1 502 117
Office of Valuer-General	7 000	–	–	7 300	–	–	7 300	14 300
<b>Total</b>	<b>2 761 799</b>	–	–	<b>(16 941)</b>	–	–	<b>(16 941)</b>	<b>2 744 858</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>619 633</b>	–	–	<b>(30 042)</b>	–	–	<b>(30 042)</b>	<b>589 591</b>
Compensation of employees	322 214	–	–	(1 941)	–	–	(1 941)	320 273
Goods and services	297 419	–	–	(28 101)	–	–	(28 101)	269 318
<b>Transfers and subsidies</b>	<b>2 140 650</b>	–	–	<b>5 965</b>	–	–	<b>5 965</b>	<b>2 146 615</b>
Provinces and municipalities	78 318	–	–	7 747	–	–	7 747	86 065
Departmental agencies and accounts	1 520 905	–	–	–	–	–	–	1 520 905
Public corporations and private enterprises	1	–	–	–	–	–	–	1
Households	541 426	–	–	(1 782)	–	–	(1 782)	539 644
<b>Payments for capital assets</b>	<b>1 516</b>	–	–	<b>7 136</b>	–	–	<b>7 136</b>	<b>8 652</b>
Machinery and equipment	1 516	–	–	7 136	–	–	7 136	8 652
<b>Total</b>	<b>2 761 799</b>	–	–	<b>(16 941)</b>	–	–	<b>(16 941)</b>	<b>2 744 858</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes**

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>(14 116)</b>	<b>Programme 1</b>		<b>14 116</b>
Goods and Services	Cost containment measures effected on advertising, fleet services, communications and property payments	(6 366)	Machinery and equipment	Office furniture, office equipment, laptop and desktop computers Payments for finance leases for photocopy machines	6 366
	Cost containment measures effected on advertising	(595)	Households	Leave gratuities	595
	Cost containment measures effected on advertising	(20)	Provinces and municipalities	Vehicle licences	20

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Cost containment measures effected on consultants, business and advisory services	(7 135)	Buildings and other fixed structures	Private public partnership project	7 135
Shifts within the programme as a percentage of the programme budget		1.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(108 554)</b>	<b>Programme 1</b>		<b>16 000</b>
Goods and services	Cost containment measures effected on consultants, business and advisory services	(16 000)	Goods and services	Mandatory computer services, such as with the State Information Technology Agency and Telkom	16 000
	Cost containment measures effected on travel and subsistence	(3 251)	<b>Programme 2</b>		<b>3 575</b>
	Cost containment measures effected on travel and subsistence	(324)	Machinery and equipment	Computer hardware and systems-server, office equipment and desktop computers	3 251
Compensation of employees	Vacant posts	(19 903)	Households	Leave gratuities	324
			<b>Programme 1</b>		<b>19 903</b>
Software and other intangible assets	Cost containment measures effected through reduced spending on software	(508)	Compensation of employees	Provision for an additional 400 participants in the internship programme	19 903
	Cost containment measures effected on software <sup>1</sup>	(592)	<b>Programme 2</b>		<b>1 106</b>
Provinces and municipalities	Cost containment measures effected on vehicle licences	(6)	Machinery and equipment	Computer hardware and systems-server, office equipment and desktop computers	508
			Households	Leave gratuities	592
Departmental agencies and accounts	Cost containment measures effected on the Registration of Deeds Trading Account	(67 639)	Households	Leave gratuities	6
			<b>Programme 1</b>		<b>67 639</b>
Machinery and equipment	Cost containment measures effected through reduced spending on computers and finance leases for photocopiers <sup>1</sup>	(18)	Goods and services	Private public partnership project	67 639
	Cost containment measures effected through reduced spending on computers and finance leases for photocopiers <sup>1</sup>	(313)	<b>Programme 2</b>		<b>331</b>
			Households	Leave gratuities	18
			Goods and services	Fleet services and legal costs	313
Shifts within the programme as a percentage of the programme budget		0.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>12.7%<sup>1</sup></b>			
<b>Programme 3</b>		<b>(9 224)</b>	<b>Programme 3</b>		<b>9 224</b>
Goods and services	Cost containment measures effected on administrative fees, consultants, and venues and facilities	(3 910)	Machinery and equipment	Laptop computers, office furniture and finance leases for photocopiers	3 910
	Cost containment measures effected on administrative fees, consultants, and venues and facilities	(5 314)	Households	Implementation of rural infrastructure and rural enterprise projects	5 314
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(12 482)</b>	<b>Programme 4</b>		<b>12 482</b>
Goods and services	Cost containment measures effected on consultants, contractors and fleet services	(5 567)	Machinery and equipment	Office equipment, such as office furniture, telephones, computers, and finance leases for photocopiers	5 567
	Cost containment measures effected on consultants, contractors and fleet services	(2 405)	Provinces and municipalities	Rates and taxes on state owned farms	2 405
Households	Cost containment measures effected on the payment of restitution grants	(4 321)	Land and sub-soil assets	Provision for land for resale. (This means the running costs of holding land before it is transferred to beneficiaries)	4 321

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Provinces and municipalities	Cost containment measures effected on rates and taxes	(104)	Machinery and equipment	Finance leases for photocopy machines	104
	Cost containment measures effected on rates and taxes	(85)	Land and sub-soil assets	Provision for land for resale. (This means the running costs of holding land before it is transferred to beneficiaries)	85
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(31 924)</b>	<b>Programme 1</b>		<b>15 000</b>
Goods and services	Cost containment measures effected on consultants	(15 000)	Goods and services	Provision for mandatory computer services, such as with the State Information Technology Agency and Telkom	15 000
	Cost containment measures effected on administrative fees, consultants outsourced services, travel and subsistence, and fleet services	(7 136)	<b>Programme 5</b>		<b>13 101</b>
	Cost containment measures effected on consultants	(100)	Machinery and equipment	Office furniture and equipment, including telephones, computers and finance leases for photocopiers	7 136
	Cost containment measures effected on administrative fees, consultants, outsourced services, travel and subsistence, and fleet services	(5 865)	Households	Leave gratuities	100
			Provinces and municipalities	Rates and taxes on state owned farms	5 865
			<b>Programme 1</b>		<b>1 941</b>
Compensation of employees	Vacant posts	(1 941)	Compensation of employees	Provision for an additional 400 participants in the internship programme	1 941
			<b>Programme 5</b>		<b>1 882</b>
Households	Cost containment measures effected on leave gratuities	(1 882)	Provinces and municipalities	Rates and taxes on state owned farms	1 882
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.6%</b>			
<b>Total</b>		<b>(176 300)</b>	<b>176 300</b>		

1. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17			
	R thousand	Audited outcome			Actual expenditure				
Adjusted appropriation		Apr 15 - Sep 15	adjusted % of	Apr 15 - Mar 16	adjusted % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
Administration	1 340 960	603 739	45.0	1 336 907	99.7	1 582 541	15.6	701 492	44.3
National Geomatics Management Services	701 279	321 458	45.8	681 843	97.2	714 371	7.1	292 985	41.0
Rural Development	1 931 669	558 208	28.9	1 921 995	99.5	1 914 367	18.9	710 707	37.1
Restitution	2 675 984	945 657	35.3	2 630 239	98.3	3 168 208	31.3	1 160 125	36.6
Land Reform	2 547 469	1 182 193	46.4	2 547 063	100.0	2 744 858	27.1	1 444 720	52.6
<b>Total</b>	<b>9 197 361</b>	<b>3 611 255</b>	<b>39.3</b>	<b>9 118 047</b>	<b>99.1</b>	<b>10 124 345</b>	<b>100.0</b>	<b>4 310 029</b>	<b>42.6</b>

Economic classification	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	
R thousand										
<b>Current payments</b>	<b>3 366 325</b>	<b>1 515 408</b>	<b>45.0</b>	<b>3 335 533</b>	<b>99.1</b>	<b>3 842 709</b>	<b>38.0</b>	<b>1 714 757</b>	<b>44.6</b>	
Compensation of employees	1 962 950	960 658	48.9	1 937 159	98.7	2 142 593	21.2	1 017 979	47.5	
Goods and services	1 401 264	554 025	39.5	1 396 265	99.6	1 700 116	16.8	696 633	41.0	
Interest and rent on land	2 111	725	34.3	2 109	99.9	–	–	145	–	
<b>Transfers and subsidies</b>	<b>5 066 512</b>	<b>1 988 392</b>	<b>39.2</b>	<b>5 018 423</b>	<b>99.1</b>	<b>6 225 237</b>	<b>61.5</b>	<b>2 562 024</b>	<b>41.2</b>	
Provinces and municipalities	76 754	66 558	86.7	76 741	100.0	93 281	0.9	28 913	31.0	
Departmental agencies and accounts	1 381 512	804 236	58.2	1 381 512	100.0	1 524 905	15.1	1 014 731	66.5	
Foreign governments and international organisations	2 597	–	–	2 596	100.0	1 574	–	1 364	86.7	
Public corporations and private enterprises	1	–	–	–	–	1	–	–	–	
Non-profit institutions	3 159	1 580	50.0	3 159	100.0	3 326	–	831	25.0	
Households	3 602 489	1 116 018	31.0	3 554 415	98.7	4 602 150	45.5	1 516 185	32.9	
<b>Payments for capital assets</b>	<b>759 364</b>	<b>106 939</b>	<b>14.1</b>	<b>758 932</b>	<b>99.9</b>	<b>56 399</b>	<b>0.6</b>	<b>33 236</b>	<b>58.9</b>	
Buildings and other fixed structures	601 217	1 970	0.3	601 199	100.0	7 135	0.1	549	7.7	
Machinery and equipment	67 593	26 600	39.4	67 178	99.4	44 858	0.4	16 858	37.6	
Land and subsoil assets	90 554	78 213	86.4	90 555	100.0	4 406	–	15 829	359.3	
Software and other intangible assets	–	156	–	–	–	–	–	–	–	
<b>Payments for financial assets</b>	<b>5 160</b>	<b>516</b>	<b>10.0</b>	<b>5 159</b>	<b>100.0</b>	<b>–</b>	<b>–</b>	<b>12</b>	<b>–</b>	
<b>Total</b>	<b>9 197 361</b>	<b>3 611 255</b>	<b>39.3</b>	<b>9 118 047</b>	<b>99.1</b>	<b>10 124 345</b>	<b>100.0</b>	<b>4 310 029</b>	<b>42.6</b>	

### Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.1 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R4.3 billion or 42.6 per cent of the adjusted appropriation of R10.1 billion for the year. In comparison, mid-year expenditure in 2015/16 was R3.6 billion, or 39.3 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R698.8 million, or 19.3 per cent. This was mainly due to the need to speed up the implementation of agri-parks, drought-relief and comprehensive rural development projects, and an increase in the number of land claims finalised.

### Departmental receipts

	2015/16 Audited outcome					2016/17 Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>91 431</b>	<b>24 186</b>	<b>26.5</b>	<b>54 643</b>	<b>59.8</b>	<b>93 173</b>	<b>95 812</b>	<b>100.0</b>	<b>25 831</b>	<b>27.0</b>
Sales of goods and services produced by department	24 121	10 508	43.6	23 693	98.2	23 494	25 460	26.6	9 741	38.3
Sales of scrap, waste, arms and other used current goods	15	1	6.7	2	13.3	16	82	0.1	68	82.9
Transfers received	244	–	–	–	–	–	244	0.3	–	–
Interest, dividends and rent on land	16 051	8 844	55.1	20 947	130.5	16 853	16 853	17.6	14 435	85.7
Sales of capital assets	700	505	72.1	790	112.9	–	123	0.1	123	100.0
Transactions in financial assets and liabilities	50 300	4 328	8.6	9 211	18.3	52 810	53 050	55.4	1 464	2.8
<b>Total</b>	<b>91 431</b>	<b>24 186</b>	<b>26.5</b>	<b>54 643</b>	<b>59.8</b>	<b>93 173</b>	<b>95 812</b>	<b>100.0</b>	<b>25 831</b>	<b>27.0</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R25.8 million, or 27 per cent of the adjusted revenue estimate of R95.8 million for the year. In comparison, mid-year revenue in 2015/16 was R24.2 million, or 26.5 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R1.6 million, or 6.8 per cent. This was mainly due to an increase in interest earned, and an increase in the fees of the Surveyor General.

## Changes to transfers and subsidies

R thousand	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
Provinces and municipalities								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	11	-	-	20	-	-	31	
Vehicle licences	11	-	-	20	-	-	31	
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	424	-	-	595	-	-	1 019	
Employee social benefits	424	-	-	595	-	-	1 019	
<b>National Geomatics Management Services</b>								
Provinces and municipalities								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	21	-	-	(6)	-	-	15	
Vehicle licences	21	-	-	(6)	-	-	15	
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	67 639	-	-	(67 639)	-	-	-	
Registration of deeds trading account	67 639	-	-	(67 639)	-	-	-	
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	266	-	-	1 040	-	-	1 306	
Employee social benefits	266	-	-	1 040	-	-	1 306	
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	24 148	-	-	(100)	-	-	24 048	
Bursaries for non-employees	24 148	-	-	(100)	-	-	24 048	
<b>Rural Development</b>								
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	727 737	-	-	5 314	-	-	733 051	
Rural Enterprise and Industrial Development	390 628	-	-	5 171	-	-	395 799	
National Rural Youth Services Corps	337 109	-	-	143	-	-	337 252	
<b>Restitution</b>								
Provinces and municipalities								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	4 954	-	-	2 216	-	-	7 170	
Vehicle licences	4 954	-	-	2 216	-	-	7 170	
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	309	-	-	(28)	-	-	281	
Employee social benefits	309	-	-	(28)	-	-	281	
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Capital</b>	2 512 922	-	-	(4 293)	-	-	2 508 629	
Restitution grants	2 512 922	-	-	(4 293)	-	-	2 508 629	
<b>Land Reform</b>								
Provinces and municipalities								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	78 318	-	-	7 747	-	-	86 065	
Vehicle licences	3 219	-	-	7	-	-	3 226	
Rates and taxes	75 099	-	-	7 740	-	-	82 839	
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	2 000	-	-	(1 782)	-	-	218	
Employee social benefits	2 000	-	-	(1 782)	-	-	218	

# Vote 40

## Sport and Recreation South Africa

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 028 600</b>	<b>1 026 600</b>	<b>(2 000)</b>	<b>-</b>
<i>of which:</i>				
Current payments	276 590	274 590	(2 000)	-
Transfers and subsidies	749 843	749 843	-	-
Payments for capital assets	2 167	2 167	-	-
Executive authority	Minister of Sport and Recreation South Africa			
Accounting officer	Director-General of Sport and Recreation South Africa			
Website address	www.srsa.gov.za			

### Vote purpose

*Transform the delivery of sport and recreation by ensuring equitable access, development and excellence at all levels of participation, thereby improving social cohesion, nation building and the quality of life of all South Africans.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of people actively participating in sport and recreation promotion campaigns and events per year	Active Nation	Outcome 14: Nation building and social cohesion	11 700	3 500	-
Number of sport and recreation promotional campaigns and events implemented per year	Active Nation		5	4	-
Number of national school sport championships supported per year	Active Nation		3	1	-
Number of participants in national school sport championships per year	Active Nation		7 500	6 400	-
Number of schools, hubs and clubs provided with equipment and/or attire as per the established norms and standards per year	Active Nation		2 500	213	-
Number of major international events receiving intra-governmental support per year	Winning Nation		4	3	-
Number of athletes supported by the sports academies per year	Winning Nation		3 400	1 605	-
Number of athletes supported through the scientific support programme per year	Winning Nation		80	90	-
Number of sport and recreation bodies receiving financial and non-financial support in an effort to assist them in meeting their transformation targets per year	Sport Support		60	3	-

### Mid-year progress

The department is on track to meet the targets for the number of sport and recreation promotional campaigns, as well as the number of participants at these events as most of these events are planned for the last two quarters of the financial year. Even though only 6 400 people have participated in national school sport championships per year, it is envisaged that the annual target will be exceeded as the summer national school sport championships will take place in December 2016 and the autumn championships in March 2017. 213 schools and clubs received sport equipment and attire, but as most provinces started their

procurement of these goods in the second quarter of the financial year, delivery is expected in the third and fourth quarters.

To date, 1 605 athletes have been supported by the sports academies through provincial and district academies. The sector expects to meet the annual target as the intake of athletes in the sports academies will improve in the fourth quarter after the summer and autumn school sport championships. Only 3 sport federations out of a targeted 60 have received support thus far, as only these bodies have provided audited financial statements and business plans, which are required before funds are transferred to them. Most of the other bodies will submit these documents later in the year as their financial year ends in December, so the department expects to support the remaining federations. 90 athletes were supported through the scientific support programme. The target was exceeded due to a growing need for scientific support services in preparation for the 2016 Rio Olympics.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	134 862	-	-	(2 000)	(2 000)	-	(4 000)	130 862
Active Nation	648 735	-	-	14 600	-	-	14 600	663 335
Winning Nation	91 149	-	-	(23 994)	-	-	(23 994)	67 155
Sport Support	137 572	-	-	11 394	-	-	11 394	148 966
Sport Infrastructure Support	16 282	-	-	-	-	-	-	16 282
<b>Total</b>	<b>1 028 600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 000)</b>	<b>-</b>	<b>(2 000)</b>	<b>1 026 600</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>276 590</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 000)</b>	<b>-</b>	<b>(2 000)</b>	<b>274 590</b>
Compensation of employees	108 596	-	-	(5 000)	(2 000)	-	(7 000)	101 596
Goods and services	167 994	-	-	5 000	-	-	5 000	172 994
<b>Transfers and subsidies</b>	<b>749 843</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>749 843</b>
Provinces and municipalities	555 708	-	-	-	-	-	-	555 708
Departmental agencies and accounts	33 012	-	-	-	-	-	-	33 012
Non-profit institutions	161 123	-	-	-	-	-	-	161 123
<b>Payments for capital assets</b>	<b>2 167</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 167</b>
Machinery and equipment	2 167	-	-	-	-	-	-	2 167
<b>Total</b>	<b>1 028 600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 000)</b>	<b>-</b>	<b>(2 000)</b>	<b>1 026 600</b>

### Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	23 191	-	-	-	-	-	-	23 191
Management	19 818	-	-	(5 500)	-	-	(5 500)	14 318
Strategic Support	6 978	-	-	-	-	-	-	6 978
Corporate Services	49 461	-	-	-	(2 000)	-	(2 000)	47 461
Office of the Chief Financial Officer	19 078	-	-	3 500	-	-	3 500	22 578
Office Accommodation	16 336	-	-	-	-	-	-	16 336
<b>Total</b>	<b>134 862</b>	<b>-</b>	<b>-</b>	<b>(2 000)</b>	<b>(2 000)</b>	<b>-</b>	<b>(4 000)</b>	<b>130 862</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>132 612</b>	<b>-</b>	<b>-</b>	<b>(2 000)</b>	<b>(2 000)</b>	<b>-</b>	<b>(4 000)</b>	<b>128 612</b>
Compensation of employees	77 174	-	-	-	(2 000)	-	(2 000)	75 174
Goods and services	55 438	-	-	(2 000)	-	-	(2 000)	53 438
<b>Transfers and subsidies</b>	<b>83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83</b>
Departmental agencies and accounts	83	-	-	-	-	-	-	83
<b>Payments for capital assets</b>	<b>2 167</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 167</b>
Machinery and equipment	2 167	-	-	-	-	-	-	2 167
<b>Total</b>	<b>134 862</b>	<b>-</b>	<b>-</b>	<b>(2 000)</b>	<b>(2 000)</b>	<b>-</b>	<b>(4 000)</b>	<b>130 862</b>

**Programme 2: Active Nation**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Programme Management: Active Nation	3 561	-	-	(1 000)	-	-	(1 000)	2 561
Active Recreation	1 092	-	-	(1 092)	-	-	(1 092)	-
Community Sport	56 265	-	-	19 692	-	-	19 692	75 957
School Sport	32 109	-	-	(3 000)	-	-	(3 000)	29 109
Provincial Sport Support and Coordination	555 708	-	-	-	-	-	-	555 708
<b>Total</b>	<b>648 735</b>	<b>-</b>	<b>-</b>	<b>14 600</b>	<b>-</b>	<b>-</b>	<b>14 600</b>	<b>663 335</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>54 519</b>	<b>-</b>	<b>-</b>	<b>14 600</b>	<b>-</b>	<b>-</b>	<b>14 600</b>	<b>69 119</b>
Compensation of employees	11 651	-	-	(3 000)	-	-	(3 000)	8 651
Goods and services	42 868	-	-	17 600	-	-	17 600	60 468
<b>Transfers and subsidies</b>	<b>594 216</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>594 216</b>
Provinces and municipalities	555 708	-	-	-	-	-	-	555 708
Non-profit institutions	38 508	-	-	-	-	-	-	38 508
<b>Total</b>	<b>648 735</b>	<b>-</b>	<b>-</b>	<b>14 600</b>	<b>-</b>	<b>-</b>	<b>14 600</b>	<b>663 335</b>

**Programme 3: Winning Nation**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Programme Management: Winning Nation	2 184	-	-	(2 184)	-	-	(2 184)	-
Scientific Support	59 252	-	-	(15 600)	-	-	(15 600)	43 652
Major Events Support	10 813	-	-	(10 210)	-	-	(10 210)	603
Recognition Systems	18 900	-	-	4 000	-	-	4 000	22 900
<b>Total</b>	<b>91 149</b>	<b>-</b>	<b>-</b>	<b>(23 994)</b>	<b>-</b>	<b>-</b>	<b>(23 994)</b>	<b>67 155</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>59 907</b>	<b>-</b>	<b>-</b>	<b>(23 994)</b>	<b>-</b>	<b>-</b>	<b>(23 994)</b>	<b>35 913</b>
Compensation of employees	4 380	-	-	(1 210)	-	-	(1 210)	3 170
Goods and services	55 527	-	-	(22 784)	-	-	(22 784)	32 743
<b>Transfers and subsidies</b>	<b>31 242</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31 242</b>
Departmental agencies and accounts	21 896	-	-	-	-	-	-	21 896
Non-profit institutions	9 346	-	-	-	-	-	-	9 346
<b>Total</b>	<b>91 149</b>	<b>-</b>	<b>-</b>	<b>(23 994)</b>	<b>-</b>	<b>-</b>	<b>(23 994)</b>	<b>67 155</b>

**Programme 4: Sport Support**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Programme Management: Sport Support	4 501	-	-	(1 000)	-	-	(1 000)	3 501
International Relations	2 122	-	-	4 710	-	-	4 710	6 832
Sport and Recreation Service Providers	130 949	-	-	7 684	-	-	7 684	138 633
<b>Total</b>	<b>137 572</b>	<b>-</b>	<b>-</b>	<b>11 394</b>	<b>-</b>	<b>-</b>	<b>11 394</b>	<b>148 966</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>13 270</b>	<b>-</b>	<b>-</b>	<b>11 394</b>	<b>-</b>	<b>-</b>	<b>11 394</b>	<b>24 664</b>
Compensation of employees	7 543	-	-	4 210	-	-	4 210	11 753
Goods and services	5 727	-	-	7 184	-	-	7 184	12 911
<b>Transfers and subsidies</b>	<b>124 302</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>124 302</b>
Departmental agencies and accounts	11 033	-	-	-	-	-	-	11 033
Non-profit institutions	113 269	-	-	-	-	-	-	113 269
<b>Total</b>	<b>137 572</b>	<b>-</b>	<b>-</b>	<b>11 394</b>	<b>-</b>	<b>-</b>	<b>11 394</b>	<b>148 966</b>

**Programme 5: Sport Infrastructure Support**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: Infrastructure Support	2 184	-	-	-	-	-	-	2 184
Sport and Recreation Facility Management	11 387	-	-	-	-	-	-	11 387
Sport and Recreation Facility Planning	2 711	-	-	-	-	-	-	2 711
<b>Total</b>	<b>16 282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 282</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>16 282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 282</b>
Compensation of employees	7 848	-	-	(5 000)	-	-	(5 000)	2 848
Goods and services	8 434	-	-	5 000	-	-	5 000	13 434
<b>Total</b>	<b>16 282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 282</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes**

Programmes					
1. Administration					
2. Active Nation					
3. Winning Nation					
4. Sport Support					
5. Sport Infrastructure Support					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(2 000)</b>	<b>Programme 2</b>		<b>2 000</b>
Goods and services	Reallocation of funds due to efficiency gains arising from a reduction in the number of delegates attending school sport events, legacy projects, portfolio committee meetings	(2 000)	Goods and services	National indigenous games due to the growing popularity of indigenous games and the resultant increase in participants	2 000
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.5%</b>			
<b>Programme 2</b>		<b>(3 000)</b>	<b>Programme 4</b>		<b>3 000</b>
Compensation of employees	Vacant posts	(3 000)	Compensation of employees	Realignment of the budget in line with personnel structure	3 000
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.5%</b>			
<b>Programme 3</b>		<b>(23 994)</b>	<b>Programme 4</b>		<b>1 210</b>
Compensation of employees	Vacant posts	(1 210)	Compensation of employees	Realignment of the budget in line with personnel structure	1 210
Goods and services	Reallocation of unspent funds arising from an executive decision not to host the Ekhaya projects in 2016/17	(13 000)	<b>Programme 2</b>		<b>15 600</b>
	Unspent funds reallocated due to the withdrawal of athletes from the residential support programme and the expiry of some athletes' contracts	(2 600)	Goods and services	National indigenous games due to the growing popularity of indigenous games and the resultant increase in participants	13 000
	Reallocation of funds due to efficiency gains arising from a reduction in the number of delegates attending school sport events, legacy projects, portfolio committee meetings	(7 184)	Goods and services	National indigenous games due to the growing popularity of indigenous games and the resultant increase in participants	2 600
			<b>Programme 4</b>		<b>7 184</b>
			Goods and services	South Africa's commitments to the African Union Sports Council Region 5 for the African Games and for the inquest into the death of boxers Phindile Mwelase and Mzwanele Kompolo	7 184
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>26.3%<sup>1</sup></b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>		<b>(5 000)</b>	<b>Programme 5</b>		<b>5 000</b>
Compensation of employees	Vacant posts <sup>1</sup>	(5 000)	Goods and services	Consultants with specialist skills appointed on a short term basis to support municipalities with scoping, project management and the design of sport infrastructure projects funded from the municipal infrastructure grant	5 000
Shifts within the programme as a percentage of the programme budget		30.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(33 994)</b>	<b>33 994</b>		

1. Only the legislature may approve this virement in terms of the Public Finance Management Act (Act 1 of 1999).

## Declared unspent funds – R2 million

Programme 1: Administration

R2 million in unspent funds has been declared on compensation of employees due to vacancies that have not been filled.

## Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16					2016/17				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 15 - Sep 15	adjusted appropriation	Apr 15 - Mar 16	adjusted appropriation	Adjusted appropriation/ Total (%)	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	adjusted appropriation	
			% of		% of			% of		
Administration	115 477	56 551	49.0	114 448	99.1	130 862	12.7	63 220	48.3	
Active Nation	629 045	308 237	49.0	652 170	103.7	663 335	64.6	340 159	51.3	
Winning Nation	75 552	24 162	32.0	56 510	74.8	67 155	6.5	23 782	35.4	
Sport Support	154 017	32 856	21.3	153 928	99.9	148 966	14.5	53 658	36.0	
Sport Infrastructure Support	6 788	1 679	24.7	2 846	41.9	16 282	1.6	4 998	30.7	
<b>Total</b>	<b>980 879</b>	<b>423 485</b>	<b>43.2</b>	<b>979 902</b>	<b>99.9</b>	<b>1 026 600</b>	<b>100.0</b>	<b>485 817</b>	<b>47.3</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>262 111</b>	<b>106 502</b>	<b>40.6</b>	<b>259 280</b>	<b>98.9</b>	<b>274 590</b>	<b>26.7</b>	<b>134 031</b>	<b>48.8</b>	
Compensation of employees	95 805	46 117	48.1	93 784	97.9	101 596	9.9	51 349	50.5	
Goods and services	166 306	60 385	36.3	165 496	99.5	172 994	16.9	82 682	47.8	
<b>Transfers and subsidies</b>	<b>716 601</b>	<b>315 683</b>	<b>44.1</b>	<b>718 608</b>	<b>100.3</b>	<b>749 843</b>	<b>73.0</b>	<b>350 848</b>	<b>46.8</b>	
Provinces and municipalities	533 225	264 251	49.6	533 225	100.0	555 708	54.1	276 973	49.8	
Departmental agencies and accounts	30 363	25 051	82.5	30 344	99.9	33 012	3.2	16 465	49.9	
Non-profit institutions	153 013	26 306	17.2	153 013	100.0	161 123	15.7	56 662	35.2	
Households	-	75	-	2 026	-	-	-	748	-	
<b>Payments for capital assets</b>	<b>2 167</b>	<b>1 300</b>	<b>60.0</b>	<b>2 014</b>	<b>92.9</b>	<b>2 167</b>	<b>0.2</b>	<b>938</b>	<b>43.3</b>	
Machinery and equipment	2 167	1 300	60.0	2 014	92.9	2 167	0.2	938	43.3	
<b>Total</b>	<b>980 879</b>	<b>423 485</b>	<b>43.2</b>	<b>979 902</b>	<b>99.9</b>	<b>1 026 600</b>	<b>100.0</b>	<b>485 817</b>	<b>47.3</b>	

## Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.9 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R485.8 million, or 47.3 per cent of the adjusted appropriation of R1 billion for the year. In comparison, mid-year expenditure in 2015/16 was R423.5 million, or 43.2 per cent of the 2015/16 adjusted appropriation. The increased expenditure in 2016/17 was mainly due to higher transfers to provinces for the mass participation and sport development grant, and expenses incurred for the inquest into the death of boxers Phindile Mwelase and Mzwanele Kompolo.

## Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate
<b>Departmental receipts</b>	<b>273</b>	<b>204</b>	<b>74.7</b>	<b>406</b>	<b>148.7</b>	<b>315</b>	<b>92</b>	<b>100.0</b>	<b>46</b>	<b>50.0</b>
Sales of goods and services produced by department	66	29	43.9	60	90.9	102	70	76.1	33	47.1
Interest, dividends and rent on land	7	1	14.3	2	28.6	9	4	4.3	1	25.0
Transactions in financial assets and liabilities	200	174	87.0	344	172.0	204	18	19.6	12	66.7
<b>Total</b>	<b>273</b>	<b>204</b>	<b>74.7</b>	<b>406</b>	<b>148.7</b>	<b>315</b>	<b>92</b>	<b>100.0</b>	<b>46</b>	<b>50.0</b>

### Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R46 000, or 50 per cent of the adjusted revenue estimate of R92 000 for the year, lower than the R204 000 collected at the same point in 2015/16. The decrease in revenue is due to the insurance settlement paid for damages to one of the department's cars and higher levels of debt recovered in 2015/16.