

Vote 6

Public Works

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 693 120	3 759 464	–	66 344
<i>of which:</i>				
Current payments	1 465 430	1 467 180	–	1 750
Transfers and subsidies	1 412 142	1 412 142	–	–
Payments for capital assets	815 548	880 142	–	64 594
Executive authority	Minister of Public Works			
Accounting officer	Director-General of Public Works			

Aim

The Department of Public Works aims to provide and manage the accommodation, housing, land and infrastructure needs of national departments; lead and direct the implementation of the national expanded public works programme; and optimise growth, job creation and transformation in the construction and property industries.

Adjusted Estimates of National Expenditure 2007

Table 6.1: Adjusted estimates

Programme		2007/08					
R thousand	Main appropriation	Additional appropriation				Adjusted appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		Total additional appropriation
1. Administration	628 610	–	–	17 000	1 750	18 750	647 360
2. Provision of Land and Accommodation	2 866 556	66 594	–	(32 870)	(2 000)	31 724	2 898 280
3. National Public Works Programme	173 574	–	–	15 870	–	15 870	189 444
4. Auxiliary and Associated Services	24 380	–	–	–	–	–	24 380
Total	3 693 120	66 594	–	–	(250)	66 344	3 759 464
Economic classification							
Current payments	1 465 430	–	–	–	1 750	1 750	1 467 180
Compensation of employees	709 544	–	–	50 000	–	50 000	759 544
Goods and services	755 886	–	–	(50 000)	1 750	(48 250)	707 636
Transfers and subsidies	1 412 142	–	–	–	–	–	1 412 142
Provinces and municipalities	836 570	–	–	–	–	–	836 570
Departmental agencies and accounts	557 858	–	–	–	–	–	557 858
Public corporations and private enterprises	50	–	–	–	–	–	50
Foreign governments and international organisations	14 612	–	–	–	–	–	14 612
Households	3 052	–	–	–	–	–	3 052
Payments for capital assets	815 548	66 594	–	–	(2 000)	64 594	880 142
Buildings and other fixed structures	798 450	66 594	–	–	(2 000)	64 594	863 044
Machinery and equipment	17 098	–	–	–	–	–	17 098
Total	3 693 120	66 594	–	–	(250)	66 344	3 759 464

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R66.594 million

Programme 2: Provision of Land and Accommodation

R12.738 million has been rolled over for service providers on the project to decide on appropriate head office accommodation for departments in Tshwane.

R28.3 million has been rolled over to complete projects to acquire land and buildings.

R25.556 million has been rolled over for prestige projects that are being finalised.

Virements

Table 6.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	–	17 000	
Current payments	–	17 000	
Compensation of employees	–	17 000	Funds shifted from goods and services in programme 2 will be used for: increases in allowances to contract workers, housing allowances and unused leave; appointing interns; and an appointment drive to improve service delivery.
Land and subsoil assets	–	–	
2. Provision of Land and Accommodation	(50 000)	17 130	
Current payments	(50 000)	17 130	
Compensation of employees	–	17 130	Funds shifted from goods and services will be used for: appointing youths in training and skills development programmes; increases in allowances to contract workers, housing allowances and unused leave; appointing interns; and an appointment drive to improve service delivery.
Goods and services	(50 000)	–	Savings due to fewer appointments of consultants, lower traveling and subsistence expenditure, and less equipment purchased (under R5 000 per unit) have been shifted to compensation of employees in programmes 1, 2 and 3.
3. National Public Works Programme	–	15 870	
Current payments	–	15 870	
Compensation of employees	–	15 870	Funds shifted from goods and services in programme 2 will be used for: expanding the expanded public works programme to accelerate job creation and the eradication of poverty; appointing youths in training and skills development programmes; increases in allowances to contract workers, housing allowances and unused leave; appointing interns; and an appointment drive to improve service delivery.
Total for Vote	(50 000)	50 000	

Other adjustments (R250 000)

Shifting of funds between votes

Programme 1: Administration

R250 000 has been transferred to Government Communication and Information System for the mass communication campaign on second economy interventions.

Funds shifted within a vote

Programme 1: Administration

R2 million, provided in the capital funds for the National Border Control Centre, has been shifted from programme 2 for leasing a facility until a final location has been found.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 6.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
R thousand							
1. Administration	625 239	289 390	625 205	100.0	647 360	387 658	34.0
2. Provision of Land and Accommodation	2 298 933	1 293 637	2 216 281	96.4	2 898 280	1 442 869	11.5
3. National Public Works Programme	163 896	85 627	158 004	96.4	189 444	126 563	47.8
4. Auxiliary and Associated Services	28 694	19 383	26 298	91.6	24 380	13 106	(32.4)
Total	3 116 762	1 688 037	3 025 788	97.1	3 759 464	1 970 196	16.7
Current payments	1 372 706	627 004	1 347 401	98.2	1 467 180	737 227	17.6
Compensation of employees	655 829	308 365	613 572	93.6	759 544	356 553	15.6
Goods and services	716 877	318 032	705 507	98.4	707 636	380 435	19.6
Transfers and subsidies	1 233 127	1 009 707	1 230 649	99.8	1 412 142	1 055 588	4.5
Provinces and municipalities	710 452	533 022	710 570	100.0	836 570	627 429	17.7
Departmental agencies and accounts	505 658	463 337	502 945	99.5	557 858	414 200	(10.6)
Public corporations and private enterprises	254	–	2	0.8	50	–	(100.0)
Foreign governments and international organisations	13 916	11 924	13 348	95.9	14 612	12 700	6.5
Households	2 847	1 424	3 784	132.9	3 052	1 259	(11.6)
Payments for capital assets	510 929	51 326	447 738	87.6	880 142	177 381	245.6
Buildings and other fixed structures	493 450	37 074	414 120	83.9	863 044	151 965	309.9
Machinery and equipment	17 479	14 197	29 323	167.8	17 098	21 144	48.9
Total	3 116 762	1 688 037	3 025 788	97.1	3 759 464	1 970 196	16.7

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R1.97 billion or 52.4 per cent of the adjusted appropriation of R3.759 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 16.7 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are due to claims by the Property Management Trading Entity for accommodation charges on a quarterly basis in advance and to payments made to that entity for cash-flow purposes.

Expenditure in 2006/07 was 97.1 per cent of the adjusted appropriation for that year.

