

Adjusted Estimates of National Expenditure

2010

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2010

National Treasury

Republic of South Africa

October 2010



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Introduction

The annual 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 new 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 approved by the President. The main budget also provides for a contingency reserve for expenditure related to unexpected circumstances.

Appropriation acts are divided into votes. Generally, a vote specifies the total amount appropriated per department. In some cases a vote may contain more than one department.

February: Minister of Finance tables main national budget and Appropriation Bill in National Assembly.

April: Start of new financial year.

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

In the middle of each year, the adjustments process provides an opportunity to revise the main budget in response to changes that have affected planned government spending for that year. The adjustments budget may allocate unused funds, mainly from the contingency reserve, and additional amounts that have been approved for particular types of spending. The adjusted budget includes the amount allocated in the main Appropriation Act as well as the amount of the adjustments. The adjusted budget is also tabled in the National Assembly by the Minister of Finance and is accompanied by an Adjustments Appropriation Bill.

The *Estimates of National Expenditure (ENE)* 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 revised 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)¹ specifies the type of spending the adjustments budget may provide for. The Treasury Regulations, issued by National Treasury in terms of the PFMA,² are instructions about how to comply with the PFMA.

The adjustments budget makes provision for:

- **Roll-overs:** Unspent funds from the preceding financial year may be rolled over when activities planned to be completed by the end of that year have not been completed but are close to completion. The Treasury Regulations³ 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 assets acquisitions already in progress.
- **Unforeseeable and unavoidable expenditure:** Unforeseeable and unavoidable expenditure is spending that could not be anticipated at the time of the main budget. The Treasury Regulations⁴ specify that the following cannot be regarded as unforeseeable and unavoidable expenditure: spending that was known when finalising the main budget but could not be accommodated in the allocations then; spending increases due to tariff adjustments and price increases; and spending to extend existing services or create

¹ Section 30(2)

² Section 76

³ Section 6.4

⁴ Section 6.6

new services that are not unforeseeable and unavoidable. Spending made necessary by adverse weather conditions is an example of unforeseeable and unavoidable expenditure.

- **Virements** are the utilisation of savings or underspending from amounts appropriated under one main division (programme) towards the defrayment of increased expenditure under another main division within the same vote. Legislation⁵ and the Treasury Regulations⁶ set parameters within which virements can take place.
- **Shifts** are the utilisation of savings or underspending towards the defrayment of increased expenditure within a main division (programme) of a vote between different segments (subprogramme and economic classification) of the main division. Shifts include the reallocation of funds incorrectly allocated during the ENE process.
- **Function shifts:**⁷ 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 and liabilities also need to be shifted. Such shifts can also happen between main divisions within a vote.
- **Unallocated amounts announced in the main budget:** In certain instances, an amount to be allocated for the three years of the MTEF period for a specific purpose will be announced by the Minister of Finance when the main budget is tabled, but 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.
- **Adjustments due to significant 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. Significantly higher inflation than anticipated in budget projections over the MTEF period is an example of such an event.
- **Emergencies:**⁸ The Minister of Finance can approve the use of unappropriated funds for spending of an exceptional nature. This happens if postponing the spending to a future parliamentary appropriation would seriously prejudice the public interest. The Minister of Finance must subsequently provide a report to Parliament.
- **Self-financing expenditure** is spending financed from 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 savings** are unspent amounts that departments explicitly indicate they will not reallocate to fund their other spending. In many instances this would be because a virement of the funds is not possible in terms of the PFMA.⁹
- **Direct charges against the National Revenue Fund** are amounts spent in terms of statutes and do not require parliamentary approval, such as expenditure on state debt costs.
- **Gifts, donations and sponsorships** from the vote are also included in the adjustments budget.

⁵ Section 43 of the PFMA and section 5 of the Appropriation Act (2010)

⁶ Section 6.3

⁷ Section 42 of the PFMA

⁸ Section 16 of the PFMA

⁹ Section 43

Summary of the adjustments for 2010/11

The adjustments budget makes provision for an additional R7.2 billion in vote allocations for 2010/11, comprised as follows:

• roll-overs	R1.8 billion
• unforeseeable and unavoidable expenditure	R2.6 billion
• higher than expected personnel remuneration adjustment costs	R6.2 billion
• self-financing expenditure	R0.4 billion
• state debt costs	(R3.8 billion)

A contingency reserve of R6 billion was set aside in the main budget. Budget spending projections also make provision for about R3.6 billion in underspending at a national level (including declared savings). Offsetting this R9.6 billion available on the main budget against the R7.2 billion in the adjustments budget, the total estimated level of spending decreases by R2.5 billion, from a budgeted R818.1 billion to an adjusted R815.7 billion.

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Table 8: Expenditure outcome 2009/10 and preliminary expenditure 2010/11

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Table 1: 2010/11 adjusted national budget

R thousand	Main appropriation (ENE)	Total adjustments (AENE)	Adjusted appropriation (AENE)
Appropriation by vote	461 517 932	6 769 774	468 287 706
Main appropriation	461 517 932	–	461 517 932
Adjustments	–	6 769 774	6 769 774
Roll-overs	–	1 789 445	1 789 445
Unforeseeable and unavoidable expenditure	–	2 248 041	2 248 041
Salary adjustment	–	1 475 001	1 475 001
Housing allowance adjustment	–	860 958	860 958
Self-financing	–	396 329	396 329
Direct charges against the National Revenue Fund	350 625 011	415 004	351 040 015
State debt costs	71 357 578	(3 750 699)	67 606 879
Provincial equitable share	260 973 745	4 165 703	265 139 448
- Originally budgeted	260 973 745	–	260 973 745
- Salary adjustment	–	2 479 661	2 479 661
- Housing allowance adjustment	–	1 336 042	1 336 042
- Unforeseeable and unavoidable expenditure	–	350 000	350 000
Skills levy and Setas	8 424 228	–	8 424 228
Remuneration of public office bearers	2 327 099	–	2 327 099
General fuel levy sharing with metropolitan municipalities	7 542 361	–	7 542 361
Subtotal	812 142 943	7 184 778	819 327 721
Contingency reserve	6 000 000	(6 000 000)	–
Projected underspending	–	(1 700 000)	(1 700 000)
Declared savings	–	(1 949 083)	(1 949 083)
Total Estimated Expenditure Level	818 142 943	(2 464 305)	815 678 638
Main budget revenue	643 239 001	30 334 690	673 573 691
Tax revenue	647 850 028	31 349 972	679 200 000
Non-tax revenue	10 380 282	1 884 718	12 265 000
Other adjustments	–	(2 900 000)	(2 900 000)
Less: Estimate of SACU payments	(14 991 309)	–	(14 991 309)
Budget balance	(174 903 942)	32 798 995	(142 104 947)

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

Vote number and title		2010/11						Adjusted appropriation
		Adjustments appropriation				Total adjustments appropriation		
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments	Total adjustments appropriation	Adjusted appropriation	
Central Government Administration								
1	The Presidency	722 613	1 281	77 869	–	5 700	84 850	807 463
2	Parliament	1 179 221	–	–	–	22 400	22 400	1 201 621
3	Cooperative Governance and Traditional Affairs	43 921 470	430 851	214 398	–	6 400	651 649	44 573 119
4	Home Affairs	5 719 584	56 704	–	–	58 102	114 806	5 834 390
5	International Relations and Cooperation	4 824 426	119 800	56 500	–	(284 908)	(108 608)	4 715 818
6	Public Works	6 446 325	120 037	769 035	–	29 400	918 472	7 364 797
7	Women, Children and People with Disabilities	97 790	–	8 000	–	400	8 400	106 190
Financial and Administrative Services								
8	Government Communication and Information System	546 184	–	–	–	4 000	4 000	550 184
9	National Treasury	50 219 916	–	–	–	(10 502)	(10 502)	50 209 414
10	Public Enterprises	350 590	1 363	201 296	–	2 300	204 959	555 549
11	Public Service and Administration	651 484	2 569	–	–	4 600	7 169	658 653
12	Statistics South Africa	1 973 398	104 681	–	–	23 300	127 981	2 101 379
Social Services								
13	Arts and Culture	2 406 720	30 625	–	–	3 900	34 525	2 441 245
14	Basic Education	6 166 200	1 000	–	–	4 799	5 799	6 171 999
15	Health	21 496 985	49 827	105 000	–	9 700	164 527	21 661 512
16	Higher Education and Training	23 720 698	16 306	–	–	39 198	55 504	23 776 202
17	Labour	1 783 889	4 434	28 200	–	19 300	51 934	1 835 823
18	Social Development	95 929 061	5 600	–	–	6 400	12 000	95 941 061
19	Sport and Recreation South Africa	1 245 589	7 900	–	–	2 000	9 900	1 255 489
Justice, Crime Prevention and Security								
20	Correctional Services	15 129 043	22 532	–	–	275 890	298 422	15 427 465
21	Defence and Military Veterans	30 715 333	–	225 000	–	(497 742)	(272 742)	30 442 591
22	Independent Complaints Directorate	129 335	–	–	–	2 100	2 100	131 435
23	Justice and Constitutional Development	10 250 483	–	341 900	–	194 962	536 862	10 787 345
24	Police	52 556 440	–	–	–	973 300	973 300	53 529 740
Economic Services and Infrastructure								
25	Agriculture, Forestry and Fisheries	3 657 984	15 629	57 000	–	223 241	295 870	3 953 854
26	Communications	2 113 999	19 802	–	–	4 200	24 002	2 138 001
27	Economic Development	418 597	–	28 843	–	2 400	31 243	449 840
28	Energy	5 535 390	61 000	–	–	52 274	113 274	5 648 664
29	Environmental Affairs	2 607 794	–	3 000	–	(122 280)	(119 280)	2 488 514
30	Human Settlements	16 201 481	82 678	–	–	7 600	90 278	16 291 759
31	Mineral Resources	1 030 016	5 000	–	–	(39 174)	(34 174)	995 842
32	Rural Development and Land Reform	6 769 555	495 727	–	–	28 100	523 827	7 293 382
33	Science and Technology	4 615 541	15 717	–	–	(503 275)	(487 558)	4 127 983
34	Tourism	1 151 836	–	40 000	–	(8 020)	31 980	1 183 816
35	Trade and Industry	6 150 108	29 400	–	–	14 700	44 100	6 194 208
36	Transport	25 086 262	9 981	–	–	192 840	202 821	25 289 083
37	Water Affairs	7 996 592	79 001	92 000	–	35 600	206 601	8 203 193
Total		461 517 932	1 789 445	2 248 041	–	783 205	4 820 691	466 338 623

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

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Plus:							
Total direct charges against the National Revenue Fund	350 625 011	-	350 000	-	65 004	415 004	351 040 015
President and Deputy President salary (The Presidency)	4 550	-	-	-	-	-	4 550
Members remuneration (Parliament)	392 679	-	-	-	-	-	392 679
State debt costs (National Treasury)	71 357 578	-	-	-	(3 750 699)	(3 750 699)	67 606 879
Provincial equitable share (National Treasury)	260 973 745	-	350 000	-	3 815 703	4 165 703	265 139 448
General fuel levy sharing with metropolitan municipalities (National Treasury)	7 542 361	-	-	-	-	-	7 542 361
Skills levy and Setas (Higher Education and Training)	8 424 228	-	-	-	-	-	8 424 228
Judges and magistrates salaries (Justice and Constitutional Development)	1 929 870	-	-	-	-	-	1 929 870
Total	812 142 943	1 789 445	2 598 041	-	848 209	5 235 695	817 378 638
Contingency reserve	6 000 000				(6 000 000)	(6 000 000)	-
Projected underspending					(1 700 000)	(1 700 000)	(1 700 000)
Total	818 142 943	1 789 445	2 598 041	-	(6 851 791)	(2 464 305)	815 678 638

Table 2.1: Adjusted appropriations per economic classification

Economic classification	2010/11						Adjusted appropriation
	Main appropriation	Additional appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Current payments							
Compensation of employees	84 093 160	18 499	460 726	2 037 406	2 124 574	4 641 205	88 734 365
Goods and services	46 843 313	471 050	162 473	588 627	(100 154)	1 121 996	47 965 309
Interest and rent on land	71 359 572	-	-	6 544	(3 750 614)	(3 744 070)	67 615 502
Total current payments	202 296 045	489 549	623 199	2 632 577	(1 726 194)	2 019 131	204 315 176
Transfers and subsidies							
Provinces and municipalities	381 726 949	408 690	1 515 433	56 002	3 849 937	5 830 062	387 557 011
Departmental agencies and accounts	58 456 522	50 716	182 043	(1 982 588)	(720 822)	(2 470 651)	55 985 871
Universities and technikons	17 531 973	-	-	35 174	2 100	37 274	17 569 247
Foreign governments and international organisations	1 313 862	3 710	41 000	(1 042)	2 500	46 168	1 360 030
Public corporations and private enterprises	20 129 136	99 527	201 296	74 706	9 376	384 905	20 514 041
Non-profit institutions	2 275 194	-	-	(286 785)	(515 097)	(801 882)	1 473 312
Households	98 234 191	527 605	-	(380 520)	(63 187)	83 898	98 318 089
Total transfers and subsidies	579 667 827	1 090 248	1 939 772	(2 485 053)	2 564 807	3 109 774	582 777 601
Payments for capital assets							
Buildings and other fixed structures	5 994 881	172 869	-	(218 924)	13 543	(32 512)	5 962 369
Machinery and equipment	3 236 924	34 879	35 070	68 788	(4 012)	134 725	3 371 649
Specialised military assets	19 556	-	-	-	-	-	19 556
Biological and cultivated assets	1 576	-	-	(56)	19	(37)	1 539
Software and other intangible assets	37 533	1 900	-	2 108	46	4 054	41 587
Total payments for capital assets	9 290 470	209 648	35 070	(148 084)	9 596	106 230	9 396 700
Total payments for financial assets	20 888 601	-	-	560	-	560	20 889 161
Total	812 142 943	1 789 445	2 598 041	-	848 209	5 235 695	817 378 638
Contingency reserve	6 000 000				(6 000 000)	(6 000 000)	-
Projected underspending					(1 700 000)	(1 700 000)	(1 700 000)
Total	818 142 943	1 789 445	2 598 041	-	(6 851 791)	(2 464 305)	815 678 638

Table 3: Roll-overs

Vote and description of expenditure	R thousand
1 The Presidency For the presidential hotline	1 281
3 Cooperative Governance and Traditional Affairs R2.978 million for computer equipment, R390.86 million for the local government equitable share, R37.013 million for 2010 FIFA World Cup projects	430 851
4 Home Affairs To complete the rollout of the movement control system to 29 ports of entry	56 704
5 International Relations and Cooperation R30.3 million to complete the construction and renovation of official residences overseas, R89.5 million for the exhibitors' pavilion at the 2010 Shanghai World Exposition and related marketing	119 800
6 Public Works For the purchase and upgrade of prestige buildings, and the installation of security measures	120 037
10 Public Enterprises R733 000 for services to the remuneration monitoring panel, R630 000 for the supplier development procurement strategy	1 363
11 Public Service and Administration For the HR Connect cohort project	2 569
12 Statistics South Africa R96.888 million for the Census 2011 pilot project, R7.793 million for the identification plates for rural dwellings	104 681
13 Arts and Culture R12 million for 2010 FIFA World Cup projects, R18.625 million for Investing in Culture projects	30 625
14 Basic Education For the national school nutrition programme's awards ceremony	1 000
15 Health R11 million for IT infrastructure for the Civitas building, R1.2 million for the World Tuberculosis Day event, R4.424 million for H1N1 influenza vaccines, R3.203 million for the 2010 FIFA World Cup emergency medical services unit, R12 million for improved hospital revitalisation programme management, R5 million for health technology and management audits for hospital revitalisation, R5 million for the audit of primary health care facilities, R8 million on district health information systems for the audit of primary health care facilities	49 827
16 Higher Education and Training R8.806 million for shortfalls arising from the establishment of the new department, and for the compensation of examiners and moderators, R7.5 million for the Quality Council for Trades and Occupations	16 306
17 Labour For research monitoring and evaluation	4 434
18 Social Development For social relief of distress commitments	5 600
19 Sport and Recreation South Africa R1.1 million for elements of the department's internal audit function, R2.131 million for the residential and medical intervention programme and training camps, R4.669 million for the My 2010 School Adventure national schools football campaign	7 900
20 Correctional Services For a new hybrid public-private partnership financial model and a mini-feasibility study	22 532
25 Agriculture, Forestry and Fisheries R3.71 million for membership fees for the Consultative Group in International Agricultural Research, R8 million for foot and mouth disease vaccines, R3.919 million for compensation to farmers whose pigs were culled in the classical swine fever campaign	15 629
26 Communications R2.2 million for the broadcasting digital migration awareness campaign, R5 million for an organisational review, R5 million for the Media Development and Diversity Agency for programmes for community radio stations, R2.852 million for the establishment of the Meraka e-Skills Institute, R500 000 for remuneration guidelines for state owned enterprise boards, R1.955 million to finalise government's 2010 FIFA World Cup ICT guarantees, R750 000 for the electronic document management system and the ionosonde station, R1.045 million for hospital websites in seven provinces, R500 000 for municipal websites	19 802
28 Energy R5 million for the Working for Energy programme, R56 million for the integrated national electrification programme	61 000

Table 3: Roll-overs (continued)

Vote and description of expenditure	R thousand
30 Human Settlements R1.9 million for the renewal of software licenses, R5.252 million for a new file server to accommodate additional staff, R1.209 million for the impact study for upgrading informal settlements, R31.52 million to accommodate the sanitation function, which was shifted from the Department of Water Affairs, R34.999 million to establish the Social Housing Regulatory Authority, R7.798 million to finalise the closure of Thubelisha Homes	82 678
31 Mineral Resources For the rehabilitation of derelict and ownerless asbestos mines	5 000
32 Rural Development and Land Reform R2.966 million for computer services, R487.461 million to settle land restitution court cases, R3 million for erecting fences in Mpumalanga, R2.3 million for mediation services for the Land Rights Management Facility	495 727
33 Science and Technology R2.465 million for Business Global Change: Inkaba ye Afrika, R3.322 million for the resource based industries research programme, R9.93 million for the research management information system	15 717
35 Trade and Industry For the Intsimbi national tooling initiative	29 400
36 Transport R8.336 million for the project management office for the 2010 FIFA World Cup intercity bus services, R1.3 million for the bus contract model, R345 000 for the performance management system	9 981
37 Water Affairs R4.1 million for the revision of the national water resource strategy, R10 million for refurbishing the water services schemes in the Mopani municipality, R4.127 million to settle a fire damages claim against the South African Forestry Company, R43.444 million for implementing the accelerated community infrastructure programme, R7.83 million for evaluating water use licence application backlogs, R9.5 million to continue with the Hartbeespoort Dam remediation project	79 001
Total	1 789 445

Table 4: Unforeseeable and unavoidable expenditure

Vote and description of expenditure		R thousand
1	The Presidency	77 869
	Operational costs	18 869
	National Youth Development Agency	29 000
	Performance Monitoring and Evaluation: Expanded mandate	30 000
3	Cooperative Governance and Traditional Affairs	214 398
	KwaZulu-Natal province: Repair of roads and infrastructure damaged by floods	
5	International Relations and Cooperation	56 500
	Membership contributions to international organisations	41 000
	Protocol services for heads of state invited by the president to attend the 2010 FIFA World Cup	15 500
6	Public Works	769 035
	Devolution of property rate funds to provinces grant	
7	Women, Children and People with Disabilities	8 000
	Operational costs	
9	National Treasury	350 000
	Provincial equitable share: Occupation specific dispensation in the health sector	
10	Public Enterprises	201 296
	South African Nuclear Energy Corporation: Dismantling and decommissioning the fuel development laboratories in the Pebble Bed Modular Reactor	20 000
	Denel: Fourth (R103.144 million) and fifth claims (R78.152 million) by Denel Saab Aerostructures under the indemnity agreement with the government for the A400M aircraft contracts	181 296
15	Health	105 000
	Procurement and distribution of condoms	60 000
	Comprehensive HIV and AIDS grant: Male circumcision	40 000
	Medicines Control Council: Turnaround and to address backlogs in medicines registration	5 000
17	Labour	28 200
	Commission for Conciliation, Mediation and Arbitration: Increased demand for services	
21	Defence and Military Veterans	225 000
	Support provided to the South African Police Service during the hosting of the 2010 FIFA World Cup	200 000
	South African Military Health Service: Support provided during the 2010 public sector strike	25 000
23	Justice and Constitutional Development	341 900
	Phase 2 of the occupation specific dispensation for legally qualified professionals, in the department, the National Prosecuting Authority, and Legal Aid South Africa	320 000
	Presidential project: United in Diversity	21 900
25	Agriculture, Forestry and Fisheries	57 000
	Livestock feed for farmers in the Eden district affected by drought	50 000
	Combating the outbreak of foot and mouth disease in Limpopo	7 000
27	Economic Development	28 843
	Competition Commission: Fast-track settlement process in the construction industry, litigation, new cartel unit, and high demand for investigations	
29	Environmental Affairs	3 000
	Repairs to the SA AGULHAS, seriously damaged en route to Marion Island	
34	Tourism	40 000
	Procurement of a head office building: municipal services, maintenance of IT and security systems, refurbishment, installing IT equipment, office furniture, and installing a security system	
37	Water Affairs	92 000
	Construction of a desalination plant in Mossel Bay for drought relief	
Total		2 598 041

Table 5: Adjustments due to significant and unforeseeable economic and financial events

Description of expenditure	R thousand
National government	2 335 959
Salary adjustments	1 475 001
Housing allowance adjustments	860 958
Provincial government	3 815 703
Salary adjustments	2 479 661
Housing allowance adjustments	1 336 042
Total	6 151 662

Table 6: Self-financing expenditure

Vote and description of expenditure	R thousand
5 International Relations and Cooperation Departmental revenue from public donations, raised through a Department of International Relations and Cooperation and South African Broadcasting Corporation initiative, will be used for humanitarian aid to the government of Haiti	2 500
8 Government Communication and Information System Departmental revenue in the form of a cash sponsorship from Altech Autopage will be used for the annual government communicators awards ceremony	100
20 Correctional Services Departmental revenue in the form of a donation from the Open Society Foundation for South Africa will be used for the development of an electronic tool for monitoring implementation of the Correctional Services Act (1998)	1 190
Departmental revenue of R2.958 million is projected to be collected from hiring out offender labour. R986 000, or one third, will be used to supplement the budget for offender gratuities	204
21 Defence and Military Veterans Departmental revenue from selling equipment and spares procured through the Special Defence Account will be used for special defence activities	986
25 Agriculture, Forestry and Fisheries Departmental revenue from state managed forestry plantations will be used for operational costs for the commercial forestry function in Mpumalanga	149 858
36 Transport Departmental revenue from transaction fees for vehicle registrations will be used for the maintenance of the electronic national transport information system	51 641
37 Water Affairs Departmental revenue from the Local Government Sector Education Training Authority will be used for training and development	186 040
Total	5 000
Total	396 329

Table 7: Declared savings and projected underspending

Vote and description	R thousand
Declared savings	
5 International Relations and Cooperation Due to foreign exchange rate gains	340 208
9 National Treasury Due to the completion of the ICT project for the Financial Intelligence Centre in 2010/11 at a lower cost than projected	100 000
Defence and Military Veterans Due to delays in the strategic defence procurement programme	1 000 000
33 Science and Technology Due to rescheduling the Square Kilometre Array demonstrator telescope project	508 875
Total declared savings	1 949 083
Projected underspending	1 700 000
Total	3 649 083

Table 8: Expenditure outcome 2009/10 and preliminary expenditure 2010/11

Vote number and title	2009/10				2010/11			
	Expenditure outcome				Preliminary expenditure			
R thousand	Adjusted appropriation	Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted appropriation	Apr 09 - Mar 10	Apr 09 - Mar 10 % of adjusted appropriation	Adjusted appropriation	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted appropriation
Central Government Administration								
1	The Presidency 694 796	328 962	47.3	669 536	96.4	807 463	410 834	50.9
2	Parliament 1 108 002	460 095	41.5	1 009 028	91.1	1 201 621	520 246	43.3
3	Cooperative Governance and Traditional Affairs 36 683 521	15 309 427	41.7	36 127 909	98.5	44 573 119	18 718 071	42.0
4	Home Affairs 5 263 784	2 488 235	47.3	5 195 409	98.7	5 834 390	2 064 809	35.4
5	International Relations and Cooperation 5 552 955	1 547 596	27.9	5 417 441	97.6	4 715 818	1 775 088	37.6
6	Public Works 5 890 130	2 424 028	41.2	5 533 649	93.9	7 364 797	2 779 744	37.7
7	Women, Children and People with Disabilities 68 182	–	–	77 542	113.7	106 190	52 505	49.4
Financial and Administrative Services								
8	Government Communication and Information System 496 780	250 862	50.5	495 415	99.7	550 184	272 947	49.6
9	National Treasury 62 845 570	32 106 594	51.1	62 668 728	99.7	50 209 414	23 739 360	47.3
10	Public Enterprises 3 991 160	2 933 396	73.5	3 983 292	99.8	555 549	204 452	36.8
11	Public Service and Administration 682 789	290 283	42.5	670 782	98.2	658 653	261 893	39.8
12	Statistics South Africa 1 715 174	843 571	49.2	1 555 781	90.7	2 101 379	638 769	30.4
Social Services								
13	Arts and Culture 2 632 110	1 077 917	41.0	2 224 931	84.5	2 441 245	1 081 437	44.3
14	Basic Education 4 474 437	1 676 101	37.5	3 971 421	88.8	6 171 999	2 833 659	45.9
15	Health 18 423 459	8 856 937	48.1	17 966 210	97.5	21 661 512	10 599 053	48.9
16	Higher Education and Training 20 696 584	16 556 768	80.0	20 682 583	99.9	23 776 202	17 292 382	72.7
17	Labour 1 709 210	873 679	51.1	1 698 690	99.4	1 835 823	850 904	46.4
18	Social Development 86 508 187	45 459 812	52.5	85 318 160	98.6	95 941 061	49 608 738	51.7
19	Sport and Recreation South Africa 2 883 908	1 741 163	60.4	2 866 430	99.4	1 255 489	908 026	72.3
Justice, Crime Prevention and Security								
20	Correctional Services 13 834 545	6 539 084	47.3	13 687 343	98.9	15 427 465	6 504 118	42.2
21	Defence and Military Veterans 31 325 256	13 196 850	42.1	31 324 247	100.0	30 442 591	14 262 794	46.9
22	Independent Complaints Directorate 116 467	48 203	41.4	106 246	91.2	131 435	48 117	36.6
23	Justice and Constitutional Development 9 721 019	4 467 865	46.0	9 653 538	99.3	10 787 345	4 632 107	42.9
24	Police 47 621 995	22 510 328	47.3	47 662 472	100.1	53 529 740	24 751 578	46.2
Economic Services and Infrastructure								
25	Agriculture, Forestry and Fisheries 3 874 540	1 818 260	46.9	3 846 605	99.3	3 953 854	1 894 445	47.9
26	Communications 2 470 494	761 745	30.8	2 301 912	93.2	2 138 001	560 502	26.2
27	Economic Development 316 192	–	–	314 645	99.5	449 840	171 003	38.0
28	Energy 3 756 877	2 114 101	56.3	3 644 822	97.0	5 648 664	2 089 265	37.0
29	Environmental Affairs 2 244 243	791 964	35.3	2 229 452	99.3	2 488 514	1 155 503	46.4
30	Human Settlements 14 036 198	7 644 806	54.5	13 762 256	98.0	16 291 759	7 798 291	47.9
31	Mineral Resources 925 127	471 268	50.9	899 894	97.3	995 842	453 709	45.6
32	Rural Development and Land Reform 6 401 388	3 061 432	47.8	5 863 847	91.6	7 293 382	2 773 150	38.0
33	Science and Technology 4 261 695	1 641 257	38.5	4 183 857	98.2	4 127 983	1 684 564	40.8
34	Tourism 1 155 658	852 489	73.8	1 155 658	100.0	1 183 816	696 080	58.8
35	Trade and Industry 6 085 884	3 045 598	50.0	5 923 310	97.3	6 194 208	2 278 010	36.8
36	Transport 24 238 517	12 928 062	53.3	24 501 837	101.1	25 289 083	14 002 989	55.4
37	Water Affairs 7 342 609	2 838 899	38.7	7 188 644	97.9	8 203 193	3 091 220	37.7
Total	442 049 442	219 957 637	49.8	436 383 522	98.7	466 338 623	223 460 362	47.9

Table 8: Expenditure outcome 2009/10 and preliminary expenditure 2010/11 (continued)

R thousand	2009/10 Expenditure outcome				2010/11 Preliminary expenditure			
	Adjusted appropriation	Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted appropriation	Apr 09 - Mar 10	Apr 09 - Mar 10 % of adjusted appropriation	Adjusted appropriation	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted appropriation
Plus:								
Total direct charges against the National Revenue Fund	313 473 452	148 114 231	47.2	310 813 243	99.2	351 040 015	170 975 186	48.7
President and Deputy President salary (The Presidency)	4 284	2 921	68.2	3 830	89.4	4 550	1 954	42.9
Members remuneration (Parliament)	376 678	247 686	65.8	398 839	105.9	392 679	165 362	42.1
State debt costs (National Treasury)	59 994 954	28 224 567	47.0	57 129 216	95.2	67 606 879	32 987 713	48.8
Provincial equitable share (National Treasury)	236 877 763	114 875 202	48.5	236 890 827	100.0	265 139 448	130 486 890	49.2
General fuel levy sharing with metropolitan municipalities (National Treasury)	6 800 104	153 731	2.3	6 800 104	100.0	7 542 361	2 514 120	33.3
Skills levy and Setas (Higher Education and Training)	7 749 980	3 770 494	48.7	7 815 556	100.8	8 424 228	3 884 267	46.1
Judges and magistrates salaries (Justice and Constitutional Development)	1 669 689	839 630	50.3	1 774 871	106.3	1 929 870	934 880	48.4
Total	755 522 894	368 071 868	48.7	747 196 765	98.9	817 378 638	394 435 548	48.3
Economic classification								
Current payments								
Compensation of employees	76 392 799	35 003 801	45.8	75 195 471	98.4	88 734 365	41 355 138	46.6
Goods and services	44 065 446	18 436 570	41.8	42 027 571	95.4	47 965 309	17 979 527	37.5
Interest and rent on land	59 995 793	28 224 764	47.0	57 212 595	95.4	67 615 502	32 992 539	48.8
Total current payments	180 454 038	81 665 135	45.3	174 435 637	96.7	204 315 176	92 327 204	45.2
Transfers and subsidies								
Provinces and municipalities	345 878 984	170 834 861	49.4	345 588 801	99.9	387 557 011	187 286 316	48.3
Departmental agencies and accounts	58 512 913	24 124 611	41.2	57 365 894	98.0	55 985 871	27 475 420	49.1
Universities and technikons	15 437 403	96 014	0.6	15 451 729	100.1	17 569 247	13 611 192	77.5
Foreign governments and international organisations	20 061 398	23 061 191	115.0	20 267 453	101.0	20 514 041	9 959 807	48.6
Public corporations and private enterprises	1 266 764	228 542	18.0	1 362 366	107.5	1 360 030	325 132	23.9
Non-profit institutions	1 225 310	505 310	41.2	1 124 731	91.8	1 473 312	384 492	26.1
Households	91 029 486	47 627 173	52.3	89 932 233	98.8	98 318 089	50 113 190	51.0
Total transfers and subsidies	533 412 258	266 477 702	50.0	531 093 207	99.6	582 777 601	289 155 549	49.6
Payments for capital assets								
Buildings and other fixed structures	5 961 301	2 004 567	33.6	5 136 095	86.2	5 962 369	1 804 468	30.3
Machinery and equipment	2 740 955	1 066 127	38.9	3 082 167	112.4	3 371 649	918 178	27.2
Heritage assets	–	–	–	–	–	–	70	–
Specialised military assets	27 585	21 802	79.0	83 091	301.2	19 556	34 213	174.9
Biological and cultivated assets	1 090	964	88.4	2 197	201.6	1 539	324	21.1
Land and subsoil assets	167 358	46 715	27.9	123 234	73.6	41 587	23 863	57.4
Software and other intangible assets	–	–	–	83 854	–	–	–	–
Total payments for capital assets	8 898 289	3 140 175	35.3	8 510 638	95.6	9 396 700	2 781 116	29.6
Total payments for financial assets	32 758 309	16 788 856	51.3	33 157 283	101.2	20 889 161	10 171 679	48.7
Total	755 522 894	368 071 868	48.7	747 196 765	98.9	817 378 638	394 435 548	48.3

Table 9: Adjusted departmental receipts

Vote number and title		2009/10				2010/11				
		Audited outcome		Actual receipts		Budget estimate		Adjusted estimate		
R thousand	Adjusted estimate	Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted estimate	Apr 09 - Mar 10	Apr 09 - Mar 10 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted estimate	
Central Government Administration										
1	The Presidency	502	459	91.4	625	124.5	311	451	322	71.4
2	Parliament	16 312	12 099	74.2	38 459	235.8	15 500	15 500	15 149	97.7
3	Cooperative Governance and Traditional Affairs	602	369	61.3	509	84.6	627	627	110	17.5
4	Home Affairs	429 489	141 202	32.9	442 220	103.0	455 256	455 256	124 007	27.2
5	International Relations and Cooperation	39 173	9 917	25.3	23 170	59.1	31 191	21 994	12 451	56.6
6	Public Works	25 581	17 319	67.7	39 592	154.8	26 628	30 946	17 666	57.1
Financial and Administrative Services										
8	Government Communication and Information System	2 947	1 681	57.0	2 869	97.4	2 954	2 954	1 312	44.4
9	National Treasury	4 148 462	547 426	13.2	3 543 597	85.4	2 354 152	3 204 202	1 404 617	43.8
10	Public Enterprises	70	35	50.0	1 168	1 668.6	74	1 214	1 184	97.5
11	Public Service and Administration	881	529	60.0	2 242	254.5	666	888	736	82.9
12	Statistics South Africa	6 919	5 448	78.7	8 474	122.5	2 239	2 239	952	42.5
Social Services										
13	Arts and Culture	1 046	831	79.4	1 097	104.9	604	846	846	100.0
14	Basic Education	904	348	38.5	705	78.0	1 097	1 170	690	59.0
15	Health	33 730	6 805	20.2	45 190	134.0	31 457	31 457	12 547	39.9
16	Higher Education and Training	6 522	3 167	48.6	6 720	103.0	6 890	7 894	4 350	55.1
17	Labour	12 926	6 276	48.6	12 916	99.9	16 113	16 113	6 120	38.0
18	Social Development	163	2 503	1 535.6	30 617	18 783.4	510 173	218 251	283	0.1
19	Sport and Recreation South Africa	555	5 599	1 008.8	6 086	1 096.6	346	346	214	61.8
Justice, Crime Prevention and Security										
20	Correctional Services	131 154	48 844	37.2	108 478	82.7	143 402	143 402	59 064	41.2
21	Defence and Military Veterans	676 749	427 100	63.1	699 949	103.4	702 466	902 466	454 150	50.3
22	Independent Complaints Directorate	105	72	68.6	154	146.7	123	165	93	56.4
23	Justice and Constitutional Development	358 888	165 000	46.0	382 853	106.7	377 649	377 649	150 331	39.8
24	Police	332 561	189 462	57.0	347 572	104.5	341 732	272 942	151 455	55.5
Economic Services and Infrastructure										
25	Agriculture, Forestry and Fisheries	219 749	161 229	73.4	250 534	114.0	119 256	119 293	77 074	64.6
26	Communications	933 026	818 950	87.8	1 344 790	144.1	925 009	1 398 742	709 188	50.7
27	Economic Development	484 781	-	-	-	-	230 000	230 000	67 659	29.4
28	Energy	3 510	1 652	47.1	4 429	126.2	3 684	3 684	1 262	34.3
29	Environmental Affairs	1 964	1 469	74.8	2 051	104.4	556	4 056	3 147	77.6
30	Human Settlements	481	154	32.0	749	155.7	510	1 184	956	80.7
31	Mineral Resources	161 847	67 174	41.5	212 715	131.4	205 596	99 033	44 565	45.0
32	Rural Development and Land Reform	231 217	31 337	13.6	44 047	19.1	68 420	41 679	19 798	47.5
33	Science and Technology	1 005	949	94.4	1 585	157.7	111	385	385	100.0
34	Tourism	690	516	74.8	719	104.2	195	1 485	1 485	100.0
35	Trade and Industry	66 718	343 540	514.9	510 034	764.5	108 260	108 260	20 340	18.8
36	Transport	231 703	7 074	3.1	106 074	45.8	127 797	266 657	131 913	49.5
37	Water Affairs	72 567	12 535	17.3	76 279	105.1	41 173	42 070	26 750	63.6
Total departmental receipts as per Adjusted Estimates of National Expenditure		8 635 499	3 039 070	35.2	8 299 268	96.1	6 852 217	8 025 500	3 523 171	43.9
Less: Parliament (retained departmental receipts)		16 312	12 099	74.2	38 459	235.8	15 500	15 500	15 149	97.7
Plus: South African Revenue Services		1 205 814	644 814	53.5	635 076	52.7	3 543 565	4 255 000	2 221 897	52.2
Total departmental receipts as per Medium Term Budget Policy Statement		9 825 001	3 671 785	37.4	8 895 885	90.5	10 380 282	12 265 000	5 729 919	46.7

Table 9: Adjusted departmental receipts (continued)

	2009/10					2010/11			
	Adjusted estimate	Audited outcome			Actual receipts				
		Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted estimate	Apr 09 - Mar 10	Apr 09 - Mar 10 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted estimate
Departmental receipts									
Sales of goods and services other than capital assets	1 992 475	1 059 583	53.2	2 356 892	118.3	1 932 593	1 969 157	716 853	36.4
Transfers received	168 990	89 635	53.0	237 503	140.5	195 682	195 773	162 063	82.8
Fines, penalties and forfeits	339 585	460 221	135.5	696 209	205.0	502 908	507 575	225 433	44.4
Interest, dividends and rent on land	4 727 181	757 510	16.0	3 026 321	64.0	2 821 714	4 120 264	2 065 516	50.1
Sales of capital assets	25 328	3 870	15.3	43 153	170.4	58 022	59 070	39 250	66.4
Financial transactions in assets and liabilities	1 381 940	668 251	48.4	1 939 190	140.3	1 341 298	1 173 661	314 056	26.8
Total departmental receipts	8 635 499	3 039 070	35.2	8 299 268	96.1	6 852 217	8 025 500	3 523 171	43.9

Information 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. Votes are organised into functional groupings for analysis of interdepartmental initiatives and service delivery. These functional groupings are informal and are not the same as either the government's cluster system groupings or the standard chart of accounts' more rigorous classification of government functions.

- Central Government Administration
- Financial and Administrative Services
- Social Services
- Justice, Crime Prevention and Security
- Economic Services and Infrastructure.

Adjusted budget summary

R thousand	2010/11			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated				
<i>of which:</i>				
Current payments				
Transfers and subsidies				
Payments for capital assets				
Payments for financial assets				
Direct charge against the National Revenue Fund				
Executive authority				
Accounting officer				
Website address				

This table summarises the adjustments to the main budget by main economic classification of payments.

<p>Main appropriation shows the total amount voted for the current financial year in the main budget.</p> <p>Adjusted appropriation shows the adjusted total amount to be voted for the current financial year, that is the sum of the main appropriation and the adjustment.</p> <p>Decrease and Increase show the amount of the adjustment itself.</p> <p>Current payments are payments made by a department for its operational requirements.</p> <p>Transfers and subsidies are payments made by a department for which the department does not directly receive anything in return.</p> <p>Payments for capital assets are payments made by a department for an asset that can be used for more than one year and from which future economic benefits or service potential are expected to flow.</p> <p>Payments for financial assets mainly consist of payments made by departments as loans to public corporations or as equity investments in public corporations. The reason for expensing the payments rather than treating them as financing is that, unlike other financial transactions, the purpose of the transaction is not profit oriented. This column is only shown in votes where such payments have been budgeted for. Payments for theft and losses are included in this category; however, these payments are not budgeted for and will thus only appear in the historical information, which can be seen in the expenditure table.</p> <p>Direct charges against the National Revenue Fund may also be adjusted. These are amounts spent in terms of statutes and do not require parliamentary approval. They are not budgeted for under any programme on a particular vote and include, for example, state debt costs.</p> <p>The last lines of the table give accountability information: the vote's executive authority, accounting officer and website address.</p>
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Aim

The aim of the vote captures a department's mandate, strategic objectives or administrative functions, and corresponds with the aim stated in the Adjustments Appropriation Bill.

Changes to programme purposes, objectives and measures

To maintain the link between a department's strategic plan, its voted budget and its adjusted budget, any changes to programme purposes, objectives and measures are noted.

Mid-year performance status

Indicator As published in the 2010 ENE	Programme Programme linked to the indicator	Outcome Outcome the indicator is linked to (if relevant)	Annual performance		
			Projected for 2010/11 as published in the 2010 ENE	Achieved in the first six months of 2010/11 (April to September)	Changed estimate for 2010/11

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.¹⁰

An **indicator** is a numerical measure that tracks a department's progress towards its goal. An indicator may measure inputs, activities, outputs, 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 with the 12 outcomes that comprise government's strategic agenda and/or with other outcomes that comprise government's purpose for ongoing programmes.

Projected for 2010/11 as published in the 2010 ENE shows what the department projected it would achieve for the current financial year.

Achieved in the first six months of 2010/11 shows what the department has actually achieved in the first half of the current financial year.

Changed estimate for 2010/11 shows any change to the estimate originally published in the ENE. Estimates will typically change in cases where the funding provided for a particular programme has been amended in the Adjustments Appropriation Bill.

Any significant deviations from any specific performance estimates for the current financial year are briefly explained below the table, as well as any changes to the indicators themselves. Changes to indicators are typically caused by the adjustments to a vote's estimates of expenditure.

A brief discussion is then provided on the department's mid-year progress towards achieving the listed outcomes.

¹⁰ This table is not intended to give a comprehensive analysis of a department's performance since it shows only a selection of a department's indicators, as published in the ENE.

Adjusted Estimates of National Expenditure 2010

Programme	2010/11						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand							
1. Programme name							
Subtotal							
Direct charge against the National Revenue Fund							
Item							
Total							
Economic classification							
Current payments							
Economic classification item							
Transfers and subsidies							
Economic classification item							
Payments for capital assets							
Economic classification item							
Payments for financial assets							
Total							

In this table, a vote's adjusted estimates of expenditure are set out by the type of expenditure adjustment, and 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 main budget.

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

Roll-overs shows 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 of finalising the main budget.

Virements and shifts

Virements are the utilisation of savings or underspending from amounts appropriated under one main division (programme) towards the defrayment of increased expenditure under another main division within the same vote.

Shifts are the utilisation of savings or underspending towards the defrayment of increased expenditure within a main division (programme) of a vote between different segments (subprogramme and economic classification) of the main division. Shifts include the reallocation of funds incorrectly allocated during the ENE process.

Other adjustments include: function shifts; unallocated amounts announced in the main budget; adjustments due to significant unforeseeable economic and financial events; emergencies; self-financing expenditure; and declared savings.

Total adjustments appropriation shows the sum of all the expenditure adjustments by programme and by economic classification. This number may be negative. In most instances this would be because of a virement of funds out of that programme or economic classification.

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

Similar tables are then shown for each programme which has adjustments to appropriations.

Details of adjustments to the Estimates of National Expenditure 2010

This section gives explanations by programme for:

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

Virements and shifts

Programmes					
1. Programme name					
2. Programme name					
3. Programme name					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme number			Programme number		
Economic classification item			Economic classification item		
Percentage of programme budget		per cent			
Programme number			Programme number		
Economic classification item			Economic classification item		
			Programme number		
			Economic classification item		
Percentage of programme budget		per cent			
Total					

FROM shows where funding reductions have been effected, by programme and by economic classification item. The percentage by which the programme budget is being changed is also shown.

It should be noted that funds may be shifted within the same programme and that in such instances, the percentage by which the programme budget is effectively reduced is less than the percentage indicated.

TO shows where increased spending has been offset by these reductions, by programme and per economic classification item.

Motivation explains how the funding reductions occurred on the one hand, and on the other what they will be spent on.

R thousand shows the monetary amounts.

Certain types of virements and shifts require either legislative approval or approval from the 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,¹¹ the Treasury Regulations,¹² and the Appropriation Act (2010),¹³ the following virements and shifts require approval from National Treasury:

- Virements and shifts which will increase the funds appropriated for compensation of employees
- Virements and shifts which will increase the funds appropriated for transfers and subsidies to other institutions
- Virements and shifts which introduce a new transfer to other institution

¹¹ Section 43

¹² Section 6.3

¹³ Section 5

- Virements and shifts which utilise funds that were treasury earmarked for a specific purpose
- Virements and shifts which utilise funds appropriated for payments for capital assets for the payment of current assets
- Virements and shifts which utilise savings of funds appropriated as transfers and subsidies for payment to another institution.

The following virements and shifts can only be approved by the legislature:¹⁴

Virements and shifts that utilise savings on funds appropriated for items specifically and exclusively earmarked in an Appropriation Act

- Virements and shifts that utilise savings of more than 8 per cent of the amount appropriated for that 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 the programme budget.

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

- Other adjustments
- Gifts, donations and sponsorships
- Amounts forming a direct charge against the National Revenue Fund (these are not linked to a programme on a vote).

Expenditure 2009/10 and preliminary expenditure 2010/11

Programme	2009/10					2010/11		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted appropriation	Apr 09 - Mar 10	Apr 09 - Mar 10 % of adjusted appropriation	Adjusted appropriation	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted appropriation
1. Programme name								
2. Programme name								
Subtotal								
Direct charge against the National Revenue Fund								
Item								
Item								
Total								
Economic classification								
Current payments								
Economic classification item								
Economic classification item								
Transfers and subsidies								
Economic classification item								
Economic classification item								
Payments for capital assets								
Economic classification item								
Economic classification item								
Payments for financial assets								
Total								

¹⁴ Section 43 of the PFMA read in conjunction with Section 5 of the Appropriation Act (2010)

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

2009/10 Expenditure outcome shows the outcome for the previous financial year.

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

Apr 09 to Sep 09 shows the expenditure outcome for the first six months of the previous financial year.

Apr 09 to Sep 09 % 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 09 to Mar 10 shows the expenditure outcome for the whole of the previous financial year.

Apr 09 to Mar 10 % 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.

2010/11 Preliminary expenditure shows the preliminary expenditure for the current financial year.

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

Apr 10 to Sep 10 shows the preliminary expenditure for the first six months of the current financial year.

Apr 10 to Sep 10 % of adjusted appropriation shows the preliminary expenditure for the first six months of the current financial year as a percentage of the adjusted appropriation for the year.

Main expenditure trends for the first half of 2010/11

Expenditure trends show whether actual expenditure in is line with the budget. Mid-year preliminary expenditure for the current financial year is compared to mid-year expenditure for the previous year. Explanations are given for significant changes in expenditure compared to the previous financial year.

Where functions have shifted between votes or new votes have been created, subsequent to the publication of the 2009 Adjusted Estimates of National Expenditure, the information in this publication may not be strictly comparable with that published last year.

Departmental receipts

	2009/10					2010/11			
	Adjusted estimate	Audited outcome			Actual receipts				
		Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted estimate	Apr 09 - Mar 10	Apr 09 - Mar 10 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted estimate
R thousand									
Departmental receipts									
Economic classification item									
Economic classification item									
Total									

This table shows projected departmental revenue for the current financial year.

2009/10 Audited outcome shows the departmental receipts outcome for the previous financial year.

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

Apr 09 to Sep 09 shows the receipts outcome for the first six months of the previous financial year.

Apr 09 to Sep 09 % 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 09 to Mar 10 shows the receipts outcome for the whole of the previous financial year.

Apr 09 to Mar 10 % 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.

2010/11 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.

Apr 10 to Sep 10 shows the preliminary receipts outcome for the first six months of the current financial year.

Apr 10 to Sep 10 % 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.

Main departmental revenue trends for the first half of 2010/11

Any differences from the information published in the ENE for the current financial year are explained in the text that follows the table.

Where functions have shifted between votes or new votes have been created, subsequent to the publication of the 2009 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, and conditional grants

Summary of changes to transfers and subsidies per programme

		2010/11					
		Adjustments appropriation				Total	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments	adjustments appropriation	
Programme number. name							
Economic sphere							
Current							
Economic classification item							
Programme number. name							
Economic sphere							
Capital							
Economic classification item							

Summary of changes to conditional grants: Provinces

		2010/11					
		Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Programme number. name							
Conditional grant name							

Summary of changes to conditional grants: Local government

		2010/11					
		Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Programme number. name							
Conditional grant name							

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

Main appropriation shows the total amount voted for the current financial year in the main budget.

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

Roll-overs shows 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 of the main budget.

Virements and shifts

Virements are the utilisation of savings or underspending from amounts appropriated under one main division (programme) towards the defrayment of increased expenditure under another main division within the same vote.

Shifts are the utilisation of savings or underspending towards the defrayment of increased expenditure within a main division (programme) of a vote between different segments (subprogramme and economic classification) of the main division. Shifts include the reallocation of funds incorrectly allocated during the ENE process.

Other adjustments include: function shifts; unallocated amounts announced in the main budget; adjustments due to significant unforeseeable economic and financial events; emergencies; self-financing expenditure; and declared savings.

Total adjustments appropriation shows the sum of all the expenditure adjustments by programme and by economic classification. This number may be negative. In most instances this would be because of a virement of funds out of that programme or economic classification.

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