

# Vote 3

## Cooperative Governance and Traditional Affairs

### Adjusted budget summary

R thousand	2010/11			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>43 921 470</b>	<b>44 573 119</b>	–	651 649
<b>of which:</b>				
Current payments	619 705	661 218	–	41 513
Transfers and subsidies	43 288 456	43 893 769	–	605 313
Payments for capital assets	13 309	18 032	–	4 723
Payments for financial assets	–	100	–	100
Executive authority	Minister of Cooperative Governance and Traditional Affairs			
Accounting officer	Director-General of Cooperative Governance and Traditional Affairs			
Website address	www.cogta.gov.za			

### Aim

*The aim of the Department of Cooperative Governance and Traditional Affairs is to 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 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
As published in the 2010 ENE	Programme linked to the indicator	Outcome the indicator is linked to (if relevant)			
Total number of district municipalities supported in implementing local economic development strategies (total 46 districts)	Governance and Intergovernmental Relations	A responsive, accountable, effective, and efficient local government system	34 (74%)	0	–
Total number of provinces supported with the intergovernmental relations capacity building programme (total 9 provinces)	Governance and Intergovernmental Relations	A responsive, accountable, effective, and efficient local government system	9 (100%)	0	–
Total number of districts supported with the intergovernmental relations capacity building programme (total 46 districts)	Governance and Intergovernmental Relations	A responsive, accountable, effective, and efficient local government system	34 (74%)	0	–
Percentage of municipalities with integrated development plans drafted in accordance with development planning outcomes (total 283 municipalities)	Governance and Intergovernmental Relations	A responsive, accountable, effective, and efficient local government system	277 (98%)	0	–
Total number of traditional leaders <sup>1</sup> supported through capacity building programmes (total 840) per year	Traditional Affairs	A responsive, accountable, effective, and efficient local government system	200 (23%)	720	–

2010 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	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
As published in the 2010 ENE	Programme linked to the indicator	Outcome the indicator is linked to (if relevant)			
Amount spent by municipalities on municipal infrastructure grants by end of municipal financial year and as a percentage of total municipal infrastructure grant allocation for that financial year	Governance and Intergovernmental Relations	A responsive, accountable, effective, and efficient local government system	R12.5bn (100%)	R1.4bn (14%)	–
Total number of households reached with basic services funded by the municipal infrastructure grant: - water - sanitation - roads - community lighting	Governance and Intergovernmental Relations	A responsive, accountable, effective, and efficient local government system	1.4 million 808 070 1 113 636 540 186	1.2 million 703 121 1 000 400 391 164	–
Percentage of indigent households accessing free basic services: - water - electricity	Governance and Intergovernmental Relations	A responsive, accountable, effective, and efficient local government system	90% 89%	87% 70%	–
Total number of municipalities receiving support on financial management	National Disaster Management Centre	A responsive, accountable, effective, and efficient local government system	234 83%	104 44%	–
Total number of fully functional disaster management centres across the three spheres of government (total 62: 1 national 9 in provinces, 46 in districts, 6 in metros)	National Disaster Management Centre	A responsive, accountable, effective, and efficient local government system	30 (48%)	27 (44%)	–
Total number of additional nodal municipalities with strategic local economic development projects reflected in the integrated development plan budgets for public sector investments	Governance and Intergovernmental Relations	A responsive, accountable, effective, and efficient local government system	6	3	–
Total number of work opportunities created through the community works programme per year	Governance and Intergovernmental Relations	A responsive, accountable, effective, and efficient local government system	57 368	53 324	–

1. Error in 2010 ENE corrected

The amount spent by municipalities on municipal infrastructure grants in the first half of 2010/11 is significantly less than estimated for the year as a whole, because of the misalignment of the financial years of the department and municipalities.

Delivery is slower than expected and some of the department's targets will be scaled down and later discontinued to align the targets with the Green Paper on Cooperative Governance. The paper is in the process of being developed.

#### Mid-year progress

To build a responsive, accountable, effective and efficient local government system (outcome 9), the department has provided the following basic services, through municipalities, to a total of 2.4 million households: water to 1.2 million beneficiaries, sanitation to 703 121 beneficiaries, roads to 1 million beneficiaries, and community lighting to 391 164 beneficiaries.

## Adjusted Estimates of National Expenditure 2010

Programme	2010/11						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
1. Administration	188 131	–	–	7 103	2 688	9 791	197 922
2. Policy, Research and Knowledge Management Support	50 076	2 978	–	(5 328)	442	(1 908)	48 168
3. Governance and Intergovernmental Relations	43 570 837	390 860	–	(4 529)	2 544	388 875	43 959 712
4. National Disaster Management Centre	41 563	37 013	214 398	–	266	251 677	293 240
5. Traditional Affairs	70 863	–	–	2 754	460	3 214	74 077
<b>Total</b>	<b>43 921 470</b>	<b>430 851</b>	<b>214 398</b>	<b>–</b>	<b>6 400</b>	<b>651 649</b>	<b>44 573 119</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>619 705</b>	<b>35 333</b>	<b>–</b>	<b>(220)</b>	<b>6 400</b>	<b>41 513</b>	<b>661 218</b>
Compensation of employees	241 929	–	–	(20 839)	6 400	(14 439)	227 490
Goods and services	377 776	35 333	–	20 619	–	55 952	433 728
<b>Transfers and subsidies</b>	<b>43 288 456</b>	<b>390 860</b>	<b>214 398</b>	<b>55</b>	<b>–</b>	<b>605 313</b>	<b>43 893 769</b>
Provinces and municipalities	42 908 688	390 860	214 398	5	–	605 263	43 513 951
Departmental agencies and accounts	83 213	–	–	–	–	–	83 213
Foreign governments and international organisations	489	–	–	–	–	–	489
Non-profit institutions	9 104	–	–	–	–	–	9 104
Households	286 962	–	–	50	–	50	287 012
<b>Payments for capital assets</b>	<b>13 309</b>	<b>4 658</b>	<b>–</b>	<b>65</b>	<b>–</b>	<b>4 723</b>	<b>18 032</b>
Machinery and equipment	10 609	4 658	–	65	–	4 723	15 332
Software and other intangible assets	2 700	–	–	–	–	–	2 700
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>100</b>	<b>–</b>	<b>100</b>	<b>100</b>
<b>Total</b>	<b>43 921 470</b>	<b>430 851</b>	<b>214 398</b>	<b>–</b>	<b>6 400</b>	<b>651 649</b>	<b>44 573 119</b>

## Programme 1: Administration

Subprogramme	2010/11						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Minister	1 816	–	–	–	–	–	1 816
Deputy Minister	1 496	–	–	–	–	–	1 496
Management	49 516	–	–	–	–	–	49 516
Corporate Services	80 930	–	–	7 103	2 311	9 414	90 344
Communication and Liaison	26 332	–	–	–	377	377	26 709
Office Accommodation	28 041	–	–	–	–	–	28 041
<b>Total</b>	<b>188 131</b>	<b>–</b>	<b>–</b>	<b>7 103</b>	<b>2 688</b>	<b>9 791</b>	<b>197 922</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>184 846</b>	<b>–</b>	<b>–</b>	<b>6 883</b>	<b>2 688</b>	<b>9 571</b>	<b>194 417</b>
Compensation of employees	104 638	–	–	(11 935)	2 688	(9 247)	95 391
Goods and services	80 208	–	–	18 818	–	18 818	99 026
<b>Transfers and subsidies</b>	<b>220</b>	<b>–</b>	<b>–</b>	<b>55</b>	<b>–</b>	<b>55</b>	<b>275</b>
Provinces and municipalities	98	–	–	5	–	5	103
Households	122	–	–	50	–	50	172
<b>Payments for capital assets</b>	<b>3 065</b>	<b>–</b>	<b>–</b>	<b>65</b>	<b>–</b>	<b>65</b>	<b>3 130</b>
Machinery and equipment	3 065	–	–	65	–	65	3 130
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>100</b>	<b>–</b>	<b>100</b>	<b>100</b>
<b>Total</b>	<b>188 131</b>	<b>–</b>	<b>–</b>	<b>7 103</b>	<b>2 688</b>	<b>9 791</b>	<b>197 922</b>

**Programme 2: Policy, Research and Knowledge Management Support**

Subprogramme		2010/11					
R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Management: Research and Policy	2 850	–	–	–	18	18	2 868
Policy Methods and Research	16 980	–	–	(2 327)	115	(2 212)	14 768
Knowledge and Information Management	14 758	–	–	(22)	163	141	14 899
Information and Business Technologies	15 488	2 978	–	(2 979)	146	145	15 633
<b>Total</b>	<b>50 076</b>	<b>2 978</b>	<b>–</b>	<b>(5 328)</b>	<b>442</b>	<b>(1 908)</b>	<b>48 168</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>47 376</b>	<b>–</b>	<b>–</b>	<b>(5 328)</b>	<b>442</b>	<b>(4 886)</b>	<b>42 490</b>
Compensation of employees	18 466	–	–	(2 979)	442	(2 537)	15 929
Goods and services	28 910	–	–	(2 349)	–	(2 349)	26 561
<b>Payments for capital assets</b>	<b>2 700</b>	<b>2 978</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 978</b>	<b>5 678</b>
Machinery and equipment	1 000	2 978	–	–	–	2 978	3 978
Software and other intangible assets	1 700	–	–	–	–	–	1 700
<b>Total</b>	<b>50 076</b>	<b>2 978</b>	<b>–</b>	<b>(5 328)</b>	<b>442</b>	<b>(1 908)</b>	<b>48 168</b>

**Programme 3: Governance and Intergovernmental Relations**

Subprogramme		2010/11					
R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Management: Municipal and Provincial Government	9 504	–	–	–	–	–	9 504
Provincial and Local Government Support	15 981	–	–	–	1 123	1 123	17 104
Infrastructure and Intervention Development	38 158	–	–	(3 313)	665	(2 648)	35 510
Intergovernmental Relations coordination and Fiscal relation	30 283	–	–	–	748	748	31 031
Governance and Public Participation	7 080	–	–	(1 216)	8	(1 208)	5 872
Community Work Programme	490 325	–	–	–	–	–	490 325
Equitable Share Transfer	30 167 706	390 860	–	–	–	390 860	30 558 566
Municipal Systems Improvement Grant Transfer	212 000	–	–	–	–	–	212 000
Municipal Infrastructure Grant Transfer	12 528 884	–	–	–	–	–	12 528 884
South African Local Government Association Fiscal Transfer	24 625	–	–	–	–	–	24 625
Municipal Demarcation Board Fiscal Transfer	37 187	–	–	–	–	–	37 187
South African Cities Network Fiscal Transfer	5 104	–	–	–	–	–	5 104
United Cities and Local Government of Africa Transfer	4 000	–	–	–	–	–	4 000
<b>Total</b>	<b>43 570 837</b>	<b>390 860</b>	<b>–</b>	<b>(4 529)</b>	<b>2 544</b>	<b>388 875</b>	<b>43 959 712</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>299 721</b>	<b>–</b>	<b>–</b>	<b>(4 529)</b>	<b>2 544</b>	<b>(1 985)</b>	<b>297 736</b>
Compensation of employees	69 518	–	–	(1 216)	2 544	1 328	70 846
Goods and services	230 203	–	–	(3 313)	–	(3 313)	226 890
<b>Transfers and subsidies</b>	<b>43 266 835</b>	<b>390 860</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>390 860</b>	<b>43 657 695</b>
Provinces and municipalities	42 908 590	390 860	–	–	–	390 860	43 299 450
Departmental agencies and accounts	61 812	–	–	–	–	–	61 812
Foreign governments and international organisations	489	–	–	–	–	–	489
Non-profit institutions	9 104	–	–	–	–	–	9 104
Households	286 840	–	–	–	–	–	286 840
<b>Payments for capital assets</b>	<b>4 281</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4 281</b>
Machinery and equipment	4 281	–	–	–	–	–	4 281
<b>Total</b>	<b>43 570 837</b>	<b>390 860</b>	<b>–</b>	<b>(4 529)</b>	<b>2 544</b>	<b>388 875</b>	<b>43 959 712</b>

**Programme 4: National Disaster Management Centre**

Subprogramme	2010/11						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Management: Head of Disaster	3 327	–	–	(246)	16	(230)	3 097
Legislation, Policy and Compliance management	5 873	–	–	6 363	56	6 419	12 292
Implementation Coordination and Support	13 530	–	–	(3 019)	77	(2 942)	10 588
Intelligence Systems and Support	18 833	37 013	–	(3 098)	117	34 032	52 865
Disaster Relief Grant	–	–	214 398	–	–	214 398	214 398
<b>Total</b>	<b>41 563</b>	<b>37 013</b>	<b>214 398</b>	<b>–</b>	<b>266</b>	<b>251 677</b>	<b>293 240</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>38 690</b>	<b>35 333</b>	<b>–</b>	<b>–</b>	<b>266</b>	<b>35 599</b>	<b>74 289</b>
Compensation of employees	18 074	–	–	(4 709)	266	(4 443)	13 631
Goods and services	20 616	35 333	–	4 709	–	40 042	60 658
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>214 398</b>	<b>–</b>	<b>–</b>	<b>214 398</b>	<b>214 398</b>
Provinces and municipalities	–	–	214 398	–	–	214 398	214 398
<b>Payments for capital assets</b>	<b>2 873</b>	<b>1 680</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 680</b>	<b>4 553</b>
Machinery and equipment	1 873	1 680	–	–	–	1 680	3 553
Software and other intangible assets	1 000	–	–	–	–	–	1 000
<b>Total</b>	<b>41 563</b>	<b>37 013</b>	<b>214 398</b>	<b>–</b>	<b>266</b>	<b>251 677</b>	<b>293 240</b>

**Programme 5: Traditional Affairs**

Subprogramme	2010/11						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Management: Head of Traditional Affairs	4 552	–	–	–	19	19	4 571
Policy and Legislation for Traditional Affairs	7 869	–	–	2 754	105	2 859	10 728
Institutional, Support and Coordination Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	7 682	–	–	–	88	88	7 770
Commission on Traditional Leadership Disputes and Claims	21 401	–	–	–	–	–	21 401
Commission on Traditional Leadership Disputes and Claims	10 483	–	–	–	78	78	10 561
National House of Traditional Leaders	18 876	–	–	–	170	170	19 046
<b>Total</b>	<b>70 863</b>	<b>–</b>	<b>–</b>	<b>2 754</b>	<b>460</b>	<b>3 214</b>	<b>74 077</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>49 072</b>	<b>–</b>	<b>–</b>	<b>2 754</b>	<b>460</b>	<b>3 214</b>	<b>52 286</b>
Compensation of employees	31 233	–	–	–	460	460	31 693
Goods and services	17 839	–	–	2 754	–	2 754	20 593
<b>Transfers and subsidies</b>	<b>21 401</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>21 401</b>
Departmental agencies and accounts	21 401	–	–	–	–	–	21 401
<b>Payments for capital assets</b>	<b>390</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>390</b>
Machinery and equipment	390	–	–	–	–	–	390
<b>Total</b>	<b>70 863</b>	<b>–</b>	<b>–</b>	<b>2 754</b>	<b>460</b>	<b>3 214</b>	<b>74 077</b>

## Details of adjustments to Estimates of National Expenditure 2010

### Roll-overs – R430.851 million

Programme 2: Policy, Research and Knowledge Management Support

R2.978 million has been rolled over for computer equipment.

Programme 3: Governance and Intergovernmental Relations

R390.86 million, withheld from municipalities in 2009/10, has been rolled over for the local government equitable share. The funds will only be released to municipalities if the receiving officers can prove that the unspent allocation was committed to identifiable projects.

Programme 4: National Disaster Management Centre

R37.013 million has been rolled over for 2010 FIFA World Cup projects as follows: equipment for the nerve centre (R1.68 million); IT systems and infrastructure for the command and control system (R12.95 million); the construction of the command centre (R6.521 million); virtual private network servers (R1.144 million); wide area network installation (R1.119 million); and vehicles with special disaster management equipment (R13.599 million).

### Unforeseeable and unavoidable expenditure – R214.398 million

Programme 4: National Disaster Management Centre

An additional R214.398 million is allocated for the repair of roads and infrastructure damaged by floods in KwaZulu-Natal in November 2009.

### Virements and shifts

#### Programmes

1. Administration
2. Policy, Research and Knowledge Management Support
3. Governance and Intergovernmental Relations
4. National Disaster Management Centre
5. Traditional Affairs

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(11 935)</b>	<b>Programme 1</b>		<b>11 935</b>
Compensation of employees	Vacant posts	(11 715)	Goods and services	For local government turnaround strategy, Operation Clean Audit, travel, accommodation, venues and facilities, and consultant services	11 715
	Vacant posts	(65)	Machinery and equipment	For new furniture for newly appointed deputy directors-general	65
	Vacant posts	(50)	Households	For leave gratuity	50
	Vacant posts	(100)	Payments for financial assets	For thefts and losses	100
	Vacant posts	(5)	Provinces and municipalities	For vehicle licences	5
Percentage of programme budget		<b>6.3%</b>			
<b>Programme 2</b>		<b>(5 328)</b>	<b>Programme 1</b>		<b>3 001</b>
Compensation of employees	Vacant posts	(2 979)	Goods and services	For local government turnaround strategy, Operation Clean Audit, travel, accommodation, venues and facilities, and consultant services	2 979

*Vote 3: Cooperative Governance and Traditional Affairs*

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Goods and services	Reduction on travel and consultants	(22)	Goods and services	For local government turnaround strategy, Operation Clean Audit, travel, accommodation, venues and facilities, and consultant services	22
			<b>Programme 5</b>		<b>2 327</b>
	Reduction on travel and consultants	(2 327)	Goods and services	For consultants, venues and facilities	2 327
Percentage of programme budget		<b>10.6%</b> <sup>1</sup>			
<b>Programme 3</b>		<b>(4 529)</b>	<b>Programme 1</b>		<b>4 102</b>
Compensation of employees	Vacant posts	(1 216)	Goods and services	For local government turnaround strategy	1 216
Goods and services	Vacant posts	(2 886)	Goods and services	For local government turnaround strategy	2 886
			<b>Programme 5</b>		<b>427</b>
	Reduction on travel	(427)	Goods and services	For consultants, venues and facilities	427
Percentage of programme budget		<b>0.0%</b>			
<b>Programme 4</b>		<b>(4 709)</b>	<b>Programme 4</b>		<b>4 709</b>
Compensation of employees	Vacant posts (1 executive manager, 1 senior manager, several administrative posts)	(4 709)	Goods and services	For fire service legislation and municipal disaster management plans, travel, conferences, and consultant services	4 709
Percentage of programme budget		<b>11.3%</b>			
<b>Total</b>		<b>(26 501)</b>			<b>26 501</b>

1. In terms of the PFMA, only the legislature may approve this virement.

## Other adjustments – R6.4 million

### **Adjustments due to significant and unforeseeable economic and financial events**

An additional R6.4 million has been allocated for higher personnel remuneration than the main budget provided for, including the increased housing allowance, as follows:

Programme 1: Administration

R2.688 million

Programme 2: Policy, Research and Knowledge Management Support

R442 000

Programme 3: Governance and Intergovernmental Relations

R2.544 million

Programme 4: National Disaster Management Centre

R266 000

Programme 5: Traditional Affairs

R460 000

## Expenditure for 2009/10 and preliminary expenditure for 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. Administration	164 849	82 445	50.0	145 956	88.5	197 922	75 310	38.1
2. Policy, Research and Knowledge Management Support	40 559	21 846	53.9	39 028	96.2	48 168	13 430	27.9
3. Governance and Intergovernmental Relations	36 326 057	15 152 870	41.7	35 824 499	98.6	43 959 712	18 565 527	42.2
4. National Disaster Management Centre	98 740	21 395	21.7	62 184	63.0	293 240	39 795	13.6
5. Traditional Affairs	53 316	30 871	57.9	56 242	105.5	74 077	24 009	32.4
<b>Total</b>	<b>36 683 521</b>	<b>15 309 427</b>	<b>41.7</b>	<b>36 127 909</b>	<b>98.5</b>	<b>44 573 119</b>	<b>18 718 071</b>	<b>42.0</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>499 025</b>	<b>182 377</b>	<b>36.5</b>	<b>443 329</b>	<b>88.8</b>	<b>661 218</b>	<b>290 463</b>	<b>43.9</b>
Compensation of employees	172 325	81 316	47.2	164 506	95.5	227 490	82 129	36.1
Goods and services	326 700	101 061	30.9	278 647	85.3	433 728	208 334	48.0
Interest and rent on land	-	-	0.0	176	0.0	-	-	0.0
<b>Transfers and subsidies</b>	<b>36 171 171</b>	<b>15 122 133</b>	<b>41.8</b>	<b>35 676 245</b>	<b>98.6</b>	<b>43 893 769</b>	<b>18 426 659</b>	<b>42.0</b>
Provinces and municipalities	35 989 096	15 073 799	41.9	35 493 352	98.6	43 513 951	18 345 175	42.2
Departmental agencies and accounts	78 109	39 466	50.5	78 109	100.0	83 213	40 895	49.1
Foreign governments and international organisations	146	-	0.0	-	0.0	489	-	0.0
Non-profit institutions	8 315	4 704	56.6	9 315	112.0	9 104	3 640	40.0
Households	95 505	4 164	4.4	95 469	100.0	287 012	36 949	12.9
<b>Payments for capital assets</b>	<b>13 320</b>	<b>4 832</b>	<b>36.3</b>	<b>8 070</b>	<b>60.6</b>	<b>18 032</b>	<b>880</b>	<b>4.9</b>
Machinery and equipment	13 320	4 832	36.3	8 070	60.6	15 332	880	5.7
Software and other intangible assets	-	-	0.0	-	0.0	2 700	-	0.0
<b>Payments for financial assets</b>	<b>5</b>	<b>85</b>	<b>1 700.0</b>	<b>265</b>	<b>5 300.0</b>	<b>100</b>	<b>69</b>	<b>69.0</b>
<b>Total</b>	<b>36 683 521</b>	<b>15 309 427</b>	<b>41.7</b>	<b>36 127 909</b>	<b>98.5</b>	<b>44 573 119</b>	<b>18 718 071</b>	<b>42.0</b>

### Main expenditure trends for the first half of 2010/11

Total expenditure for 2009/10 was 98.5 per cent of the 2009/10 adjusted appropriation. Expenditure in the first six months of 2010/11 was R18.7 billion, or 42 per cent of the adjusted appropriation of R44.6 billion for the year as a whole. In comparison, mid-year expenditure in 2009/10 was R15.3 billion, or 41.7 per cent of the 2009/10 adjusted appropriation. Expenditure in the first six months of 2010/11 increased by R3.4 billion or 22.3 per cent, compared to expenditure in the first six months of 2009/10.

The main expenditure increase compared to 2009/10 is due to the shift of the new community work programme to the department, and municipal costs for national disaster management for the 2010 FIFA World Cup programme.



## Departmental receipts

R thousand	2009/10					2010/11			
	Adjusted estimates	Audited outcome			Actual receipts				
		Apr 09 - Sep 09	Apr 09 - Sep 09 % of adjusted estimate	Apr 09 - Mar 09	Apr 09 - Mar 10 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted estimate
<b>Departmental receipts</b>	<b>602</b>	<b>369</b>	<b>61.3</b>	<b>509</b>	<b>84.6</b>	<b>627</b>	<b>627</b>	<b>110</b>	<b>17.5</b>
Sales of goods and services produced by department	144	75	52.1	137	95.1	148	148	72	48.6
Sales of scrap, waste, arms and other used current goods	-	-	-	9	-	16	16	2	12.5
Interest, dividends and rent on land	3	-	-	5	166.7	3	3	1	33.3
Sales of capital assets	-	105	-	105	-	-	-	-	-
Transactions in financial assets and liabilities	455	189	41.5	253	55.6	460	460	35	7.6
<b>Total</b>	<b>602</b>	<b>369</b>	<b>61.3</b>	<b>509</b>	<b>84.6</b>	<b>627</b>	<b>627</b>	<b>110</b>	<b>17.5</b>

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

Departmental revenue collection in the first six months of 2010/11 was R110 000, or 17.5 per cent of the adjusted revenue estimate of R627 000 for the year as a whole. In comparison, mid-year revenue collection in 2009/10 was R369 000, or 61.3 per cent of the 2009/10 adjusted estimate. Departmental revenue collection in the first six months of 2010/11 decreased by R259 000 or 70.2 per cent, compared to the first six months of 2009/10.

The main revenue decrease compared to 2009/10 is due to inflated revenue in 2009/10 from the sale of two cars. There were also changes to transfers and subsidies, including conditional grants.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2010/11						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
<b>1. Administration</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>98</b>	-	-	5	-	5	<b>103</b>
Municipal services	98	-	-	5	-	5	103
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	<b>122</b>	-	-	50	-	50	<b>172</b>
Leave gratuity	122	-	-	50	-	50	172
<b>3. Governance and Intergovernmental Relations</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>30 167 706</b>	<b>390 860</b>	-	-	-	<b>390 860</b>	<b>30 558 566</b>
Local government equitable share	30 167 706	390 860	-	-	-	390 860	30 558 566

2010 Adjusted Estimates of National Expenditure

2010/11								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
<b>4. National Disaster Management Centre</b>								
Provinces and municipalities								
Provinces								
Provincial Revenue Funds								
Current	-	-	214 398	-	-	214 398	214 398	214 398
Provincial Infrastructure disaster relief grant	-	-	214 398	-	-	214 398	214 398	214 398

**Summary of changes to conditional grants: Provinces**

2010/11							
R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Adjusted appropriation	Adjusted appropriation	Other adjustments		
<b>4. National Disaster Management Centre</b>	-	-	214 398	-	-	214 398	214 398
Disaster relief grant	-	-	214 398	-	-	214 398	214 398