

# Vote 32

## Rural Development and Land Reform

### Adjusted budget summary

2010/11				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>6 769 555</b>	<b>7 293 382</b>	–	523 827
<i>of which:</i>				
Current payments	1 878 142	2 384 967	–	506 825
Transfers and subsidies	4 871 603	4 880 555	–	8 952
Payments for capital assets	19 809	27 859	–	8 050
Payments for financial assets	1	1	–	–
Executive authority	Minister of Rural Development and Land Reform			
Accounting officer	Director-General of Rural Development and Land Reform			
Website address	www.ruraldevelopment.gov.za			

### Aim

*The aim of the Department of Rural Development and Land Reform is to create and maintain an equitable and sustainable land dispensation and act as a catalyst for rural development that ensures sustainable rural livelihoods, decent work and continued social and economic advancement for all South Africans.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 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)			
Number of additional square kilometres of earth imagery at 0.5m ground sample distance acquired	Geospatial and Cadastral Services	Vibrant, equitable and sustainable rural communities with food security for all	310 000	236 407	–
Number of new maps of the national map series of South Africa produced	Geospatial and Cadastral Services	Vibrant, equitable and sustainable rural communities with food security for all	1 650	865	–
Number of days for processing all requests for information	Geospatial and Cadastral Services	Vibrant, equitable and sustainable rural communities with food security for all	4 days	4 days	–
Total number of provinces in which a surveyor-general's office is operational	Geospatial and Cadastral Services	Vibrant, equitable and sustainable rural communities with food security for all	8	7	–
Number of land claims settled per year	Restitution	Vibrant, equitable and sustainable rural communities with food security for all	120	38	–
Total number of hectares of land redistributed to land reform beneficiaries	Land Reform	Vibrant, equitable and sustainable rural communities with food security for all	436 245	100 777	–

The number of land claims settled in the first half of 2010/11 is significantly lower than the estimate for the year as a whole, because the department is focused on clearing the restitution claims backlog and related commitments.

The total number of hectares of land redistributed to land reform beneficiaries is significantly lower than the estimate for the year as a whole, because the department is focused on recapitalising distressed farms.

## Mid-year progress

When land claims are settled and land is redistributed from previously advantaged to previously disadvantaged individuals, equitable, vibrant and sustainable communities are promoted. Most redistributed land is prime agricultural land. If this land is used efficiently and productively, food availability will increase and food security will improve. The income of these communities may also improve. The additional square kilometres of earth imagery help in identifying land suitable for agricultural production.

## 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	577 811	2 966	–	183 631	6 360	192 957	770 768
2. Geospatial and Cadastral Services	283 550	–	–	195 000	8 188	203 188	486 738
3. Rural Development	256 229	–	–	85 375	827	86 202	342 431
4. Restitution	1 568 596	487 461	–	1 512 539	5 625	2 005 625	3 574 221
5. Land Reform	4 083 369	5 300	–	(1 976 545)	7 100	(1 964 145)	2 119 224
<b>Total</b>	<b>6 769 555</b>	<b>495 727</b>	<b>–</b>	<b>–</b>	<b>28 100</b>	<b>523 827</b>	<b>7 293 382</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>1 878 142</b>	<b>8 266</b>	<b>–</b>	<b>470 459</b>	<b>28 100</b>	<b>506 825</b>	<b>2 384 967</b>
Compensation of employees	1 072 249	–	–	96 466	28 100	124 566	1 196 815
Goods and services	805 893	8 266	–	373 993	–	382 259	1 188 152
<b>Transfers and subsidies</b>	<b>4 871 603</b>	<b>487 461</b>	<b>–</b>	<b>(478 509)</b>	<b>–</b>	<b>8 952</b>	<b>4 880 555</b>
Provinces and municipalities	34	–	–	11	–	11	45
Departmental agencies and accounts	1 160 069	–	–	(113 615)	–	(113 615)	1 046 454
Foreign governments and international organisations	1 306	–	–	–	–	–	1 306
Non-profit institutions	2 425	–	–	–	–	–	2 425
Households	3 707 769	487 461	–	(364 905)	–	122 556	3 830 325
<b>Payments for capital assets</b>	<b>19 809</b>	<b>–</b>	<b>–</b>	<b>8 050</b>	<b>–</b>	<b>8 050</b>	<b>27 859</b>
Machinery and equipment	19 200	–	–	8 005	–	8 005	27 205
Software and other intangible assets	609	–	–	45	–	45	654
<b>Payments for financial assets</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1</b>
<b>Total</b>	<b>6 769 555</b>	<b>495 727</b>	<b>–</b>	<b>–</b>	<b>28 100</b>	<b>523 827</b>	<b>7 293 382</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	–	–	5 206	77	5 283	7 099
Deputy Minister	1 496	–	–	4 524	77	4 601	6 097
Management	83 570	–	–	(11 930)	647	(11 283)	72 287
Corporate Services	421 392	2 966	–	144 355	5 559	152 880	574 272
Office Accommodation	50 697	–	–	50 000	–	50 000	100 697
Government Motor Transport	3 446	–	–	(3 446)	–	(3 446)	–
Sector Education and Training Authority	1	–	–	–	–	–	1
Capital Works	15 393	–	–	(5 078)	–	(5 078)	10 315
<b>Total</b>	<b>577 811</b>	<b>2 966</b>	<b>–</b>	<b>183 631</b>	<b>6 360</b>	<b>192 957</b>	<b>770 768</b>

**Programme 1: Administration (continued)**

		2010/11						
		Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
<b>Economic classification</b>								
<b>Current payments</b>	<b>555 782</b>	<b>2 966</b>	<b>–</b>	<b>182 818</b>	<b>6 360</b>	<b>192 144</b>	<b>747 926</b>	
Compensation of employees	276 114	–	–	(11 599)	6 360	(5 239)	270 875	
Goods and services	279 668	2 966	–	194 417	–	197 383	477 051	
<b>Transfers and subsidies</b>	<b>12 309</b>	<b>–</b>	<b>–</b>	<b>2 552</b>	<b>–</b>	<b>2 552</b>	<b>14 861</b>	
Provinces and municipalities	14	–	–	–	–	–	14	
Departmental agencies and accounts	1	–	–	–	–	–	1	
Households	12 294	–	–	2 552	–	2 552	14 846	
<b>Payments for capital assets</b>	<b>9 720</b>	<b>–</b>	<b>–</b>	<b>(1 739)</b>	<b>–</b>	<b>(1 739)</b>	<b>7 981</b>	
Machinery and equipment	9 663	–	–	(1 689)	–	(1 689)	7 974	
Software and other intangible assets	57	–	–	(50)	–	(50)	7	
<b>Total</b>	<b>577 811</b>	<b>2 966</b>	<b>–</b>	<b>183 631</b>	<b>6 360</b>	<b>192 957</b>	<b>770 768</b>	

**Programme 2: Geospatial and Cadastral Services****Subprogramme**

		2010/11						
		Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
Cadastral Surveys	140 980	–	–	82 275	4 650	86 925	227 905	
National Geospatial Information	108 010	–	–	20 725	1 943	22 668	130 678	
Spatial Planning	23 319	–	–	92 000	1 595	93 595	116 914	
Registration of Deeds Trading Account	8 816	–	–	–	–	–	8 816	
South African Council For Planners	2 425	–	–	–	–	–	2 425	
<b>Total</b>	<b>283 550</b>	<b>–</b>	<b>–</b>	<b>195 000</b>	<b>8 188</b>	<b>203 188</b>	<b>486 738</b>	
<b>Economic classification</b>								
<b>Current payments</b>	<b>261 050</b>	<b>–</b>	<b>–</b>	<b>194 475</b>	<b>8 188</b>	<b>202 663</b>	<b>463 713</b>	
Compensation of employees	194 521	–	–	146 000	8 188	154 188	348 709	
Goods and services	66 529	–	–	48 475	–	48 475	115 004	
<b>Transfers and subsidies</b>	<b>13 593</b>	<b>–</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>1</b>	<b>13 594</b>	
Provinces and municipalities	4	–	–	(3)	–	(3)	1	
Departmental agencies and accounts	8 816	–	–	–	–	–	8 816	
Foreign governments and international organisations	1 306	–	–	–	–	–	1 306	
Non-profit institutions	2 425	–	–	–	–	–	2 425	
Households	1 042	–	–	4	–	4	1 046	
<b>Payments for capital assets</b>	<b>8 907</b>	<b>–</b>	<b>–</b>	<b>524</b>	<b>–</b>	<b>524</b>	<b>9 431</b>	
Machinery and equipment	8 355	–	–	429	–	429	8 784	
Software and other intangible assets	552	–	–	95	–	95	647	
<b>Total</b>	<b>283 550</b>	<b>–</b>	<b>–</b>	<b>195 000</b>	<b>8 188</b>	<b>203 188</b>	<b>486 738</b>	

**Programme 3: Rural Development**

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Rural Development National Office	230 729	–	–	(32 000)	575	(31 425)	199 304	
Rural Development Provincial Offices	25 500	–	–	117 375	252	117 627	143 127	
<b>Total</b>	<b>256 229</b>	<b>–</b>	<b>–</b>	<b>85 375</b>	<b>827</b>	<b>86 202</b>	<b>342 431</b>	
<b>Economic classification</b>								
<b>Current payments</b>	<b>255 747</b>	<b>–</b>	<b>–</b>	<b>84 305</b>	<b>827</b>	<b>85 132</b>	<b>340 879</b>	
Compensation of employees	66 414	–	–	(32 000)	827	(31 173)	35 241	
Goods and services	189 333	–	–	116 305	–	116 305	305 638	
<b>Payments for capital assets</b>	<b>482</b>	<b>–</b>	<b>–</b>	<b>1 070</b>	<b>–</b>	<b>1 070</b>	<b>1 552</b>	
Machinery and equipment	482	–	–	1 070	–	1 070	1 552	
<b>Total</b>	<b>256 229</b>	<b>–</b>	<b>–</b>	<b>85 375</b>	<b>827</b>	<b>86 202</b>	<b>342 431</b>	

**Programme 4: Restitution**

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Restitution National Office	46 392	–	–	–	786	786	47 178	
Restitution Regional Offices	349 437	–	–	–	4 839	4 839	354 276	
Restitution Grants	1 172 767	487 461	–	1 512 539	–	2 000 000	3 172 767	
<b>Total</b>	<b>1 568 596</b>	<b>487 461</b>	<b>–</b>	<b>1 512 539</b>	<b>5 625</b>	<b>2 005 625</b>	<b>3 574 221</b>	
<b>Economic classification</b>								
<b>Current payments</b>	<b>395 614</b>	<b>–</b>	<b>–</b>	<b>(2 946)</b>	<b>5 625</b>	<b>2 679</b>	<b>398 293</b>	
Compensation of employees	233 975	–	–	–	5 625	5 625	239 600	
Goods and services	161 639	–	–	(2 946)	–	(2 946)	158 693	
<b>Transfers and subsidies</b>	<b>1 172 982</b>	<b>487 461</b>	<b>–</b>	<b>1 512 541</b>	<b>–</b>	<b>2 000 002</b>	<b>3 172 984</b>	
Provinces and municipalities	8	–	–	2	–	2	10	
Households	1 172 974	487 461	–	1 512 539	–	2 000 000	3 172 974	
<b>Payments for capital assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 944</b>	<b>–</b>	<b>2 944</b>	<b>2 944</b>	
Machinery and equipment	–	–	–	2 944	–	2 944	2 944	
<b>Total</b>	<b>1 568 596</b>	<b>487 461</b>	<b>–</b>	<b>1 512 539</b>	<b>5 625</b>	<b>2 005 625</b>	<b>3 574 221</b>	

**Programme 5: Land Reform**

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Land Reform National Office	60 975	5 300	–	21 966	920	28 186	89 161	
Land Reform Provincial Offices	325 784	–	–	16 400	6 180	22 580	348 364	
Land Reform Grants	2 521 459	–	–	(1 880 000)	–	(1 880 000)	641 459	
KwaZulu-Natal Ingonyama Trust Board	2 772	–	–	6 385	–	6 385	9 157	
Land Reform Empowerment Facility	1	–	–	–	–	–	1	
Communal Land Rights Programme	23 898	–	–	(21 296)	–	(21 296)	2 602	
Agricultural Land Holding Account	1 148 480	–	–	(120 000)	–	(120 000)	1 028 480	
<b>Total</b>	<b>4 083 369</b>	<b>5 300</b>	<b>–</b>	<b>(1 976 545)</b>	<b>7 100</b>	<b>(1 964 145)</b>	<b>2 119 224</b>	

## Programme 5: Land Reform (continued)

		2010/11						
		Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
<b>Economic classification</b>								
<b>Current payments</b>	<b>409 949</b>	<b>5 300</b>	<b>–</b>	<b>11 807</b>	<b>7 100</b>	<b>24 207</b>	<b>434 156</b>	
Compensation of employees	301 225	–	–	(5 935)	7 100	1 165	302 390	
Goods and services	108 724	5 300	–	17 742	–	23 042	131 766	
<b>Transfers and subsidies</b>	<b>3 672 719</b>	<b>–</b>	<b>–</b>	<b>(1 993 603)</b>	<b>–</b>	<b>(1 993 603)</b>	<b>1 679 116</b>	
Provinces and municipalities	8	–	–	12	–	12	20	
Departmental agencies and accounts	1 151 252	–	–	(113 615)	–	(113 615)	1 037 637	
Households	2 521 459	–	–	(1 880 000)	–	(1 880 000)	641 459	
<b>Payments for capital assets</b>	<b>700</b>	<b>–</b>	<b>–</b>	<b>5 251</b>	<b>–</b>	<b>5 251</b>	<b>5 951</b>	
Machinery and equipment	700	–	–	5 251	–	5 251	5 951	
<b>Payments for financial assets</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1</b>	
<b>Total</b>	<b>4 083 369</b>	<b>5 300</b>	<b>–</b>	<b>(1 976 545)</b>	<b>7 100</b>	<b>(1 964 145)</b>	<b>2 119 224</b>	

## Details of adjustments to Estimates of National Expenditure 2010

## Roll-overs – R495.727 million

Programme 1: Administration

R2.966 million has been rolled over for essential computer services for the department.

Programme 4: Restitution

R487.461 million has been rolled over to settle land restitution court cases.

Programme 5: Land Reform

R5.3 million has been rolled over for erecting fences in Mpumalanga (R3 million) and mediation services for the Land Rights Management Facility (R2.3 million).

## Virements and shifts

## Programmes

1. Administration
2. Geospatial and Cadastral Services
3. Rural Development
4. Restitution
5. Land Reform

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(23 927)</b>	<b>Programme 1</b>		<b>2 500</b>
Compensation of employees	Funds reallocated due to reprioritisation and departmental restructuring	(2 500)	Goods and services	For new unit to deal with enquiries from the presidential hotline and for office furniture for the new regional office in Pietermaritzburg	2 500
	Funds reallocated due to reprioritisation <sup>1</sup>	(16 153)	<b>Programme 2</b>		<b>16 153</b>
			Compensation of employees	For priority posts in the new structure of the department	16 153

2010 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
			<b>Programme 1</b>		<b>5 274</b>
Goods and services	Funds reallocated due to departmental restructuring	(1 707)	Machinery and equipment	For computer hardware and systems and office furniture	1 707
	Funds reallocated due to reprioritisation	(52)	Households	For leave gratuities	52
Machinery and equipment	Funds reallocated due to departmental restructuring	(1 146)	Goods and services	For lease payments	1 146
	Funds reallocated due to departmental restructuring	(2 300)	Households	For bursaries	2 300
Provinces and municipalities	Funds reallocated due to departmental restructuring	(19)	Provinces and municipalities	For the movement of the support office to the minister and the deputy minister	19
Software and other intangible assets	Funds reallocated due to reprioritisation	(50)	Machinery and equipment	For computer hardware and systems	50
Percentage of programme budget		<b>4.1%</b>			
<b>Programme 2</b>			<b>Programme 2</b>		<b>634</b>
Goods and services	Funds reallocated due to departmental restructuring	(524)	Machinery and equipment	For computer hardware and systems	524
	Funds reallocated due to reprioritisation	(1)	Provinces and municipalities	For vehicle licences	1
Machinery and equipment	Funds reallocated due to reprioritisation	(100)	Software and other intangible assets	For new software required for the National Geospatial Information directorate	100
Provinces and municipalities	Funds reallocated due to reprioritisation	(4)	Households	For leave gratuities	4
Software and other intangible assets	Funds reallocated due to departmental restructuring	(5)	Machinery and equipment	For computer hardware and systems	5
Percentage of programme budget		<b>0.2%</b>			
<b>Programme 3</b>			<b>Programme 2</b>		<b>28 000</b>
Compensation of employees	Funds reallocated due to departmental restructuring	(28 000)	Compensation of employees	For priority posts in the new structure of the department	28 000
	Funds reallocated due to departmental restructuring	(4 000)	<b>Programme 3</b>		<b>4 000</b>
			Goods and services	For business and advisory services	4 000
Goods and services	Funds reallocated due to reprioritisation	(20 000)	<b>Programme 2</b>		<b>20 000</b>
	Funds reallocated due to departmental restructuring	(1 070)	Goods and services	For business and advisory services	20 000
			<b>Programme 3</b>		<b>1 070</b>
			Machinery and equipment	For computer hardware and systems	1 070
Percentage of programme budget		<b>20.7%<sup>2</sup></b>			
<b>Programme 4</b>			<b>Programme 4</b>		<b>2 946</b>
Goods and services	Funds reallocated due to departmental restructuring	(2 944)	Machinery and equipment	For computer hardware and systems	2 944
	Funds reallocated due to reprioritisation	(2)	Provinces and municipalities	For vehicle licences	2
Percentage of programme budget		<b>0.2%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>		<b>(2 131 198)</b>	<b>Programme 1</b>		<b>930</b>
Compensation of employees	Funds reallocated due to reprioritisation <sup>1</sup>	(930)	Goods and services	For the legal services unit for costs related to the Communal Land Rights Act	930
			<b>Programme 5</b>		<b>10 268</b>
	Funds reallocated mainly due to delays in finalising the legislation in the communal land rights programme	(5 005)	Goods and services	Mainly for the land rights management facility for tenure and mediation services	5 005
Goods and services	Funds reallocated due to departmental restructuring	(5 251)	Machinery and equipment	For computer hardware and systems	5 251
	Funds reallocated due to reprioritisation	(12)	Provinces and municipalities	For rates and taxes	12
			<b>Programme 1</b>		<b>198 854</b>
Households	Funds reallocated due to departmental restructuring <sup>1</sup>	(7 054)	Compensation of employees	For priority posts in the new structure of the department	7 054
	Funds reallocated due to departmental restructuring	(191 600)	Goods and services	Mainly for the minister's priorities and IT infrastructure in new buildings for the department, and also for other office accommodation	191 600
	Funds reallocated due to departmental restructuring	(200)	Households	For bursaries	200
			<b>Programme 2</b>		<b>130 847</b>
	Funds reallocated due to departmental restructuring <sup>1</sup>	(101 847)	Compensation of employees	For priority posts in the new structure of the department	101 847
	Funds reallocated due to departmental restructuring	(29 000)	Goods and services	For operational costs	29 000
			<b>Programme 3</b>		<b>133 375</b>
	Funds reallocated due to departmental restructuring <sup>1</sup>	(133 375)	Goods and services	For the National Rural Youth Service Corps	133 375
			<b>Programme 4</b>		<b>1 512 539</b>
	Funds reallocated due to reprioritisation <sup>2</sup>	(1 512 539)	Households	For settling restitution claims	1 512 539
			<b>Programme 5</b>		<b>144 385</b>
	Funds reallocated due to departmental restructuring	(18 000)	Goods and services	For operational costs	18 000
	Funds reallocated due to departmental restructuring <sup>1</sup>	(6 385)	Departmental agencies and accounts	For the KwaZulu-Natal Ingonyama Trust Board	6 385
Departmental agencies and accounts	Funds reallocated due to reprioritisation	(120 000)	Households	For land reform grants	120 000
Percentage of programme budget		<b>52.2%</b> <sup>2</sup>			
<b>Total</b>		<b>(2 211 775)</b>			<b>2 211 775</b>

1. National Treasury approval has been obtained.

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

## Other adjustments - R28.1 million

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

An additional R28.1 million is allocated for higher personnel remuneration increases than the main budget provided for, including the increased housing allowance, as follows:

Programme 1: Administration

R6.36 million

Programme 2: Geospatial and Cadastral Service

R8.188 million

Programme 3: Rural Development

R827 000

Programme 4: Restitution

R5.625 million

Programme 5: Land Reform

R7.1 million

## Expenditure for 2009/10 and preliminary expenditure for 2010/11

Programme	2009/10 Expenditure outcome					2010/11 Preliminary expenditure		
	Adjusted appropriation	Apr 09 - Sep 09	% of adjusted appropriation	Apr 09 - Mar 10	% of adjusted appropriation	Adjusted appropriation	Apr 10 - Sep 10	% of adjusted appropriation
R thousand								
1. Administration	698 884	235 755	33.7	578 805	82.8	770 768	267 801	34.7
2. Geospatial and Cadastral Services	361 351	116 894	32.3	311 690	86.3	486 738	155 868	32.0
3. Rural Development	262 637	–	0.0	72 117	27.5	342 431	59 801	17.5
4. Restitution	2 107 435	1 708 549	81.1	2 331 634	110.6	3 574 221	1 429 916	40.0
5. Land Reform	2 971 081	1 000 234	33.7	2 569 601	86.5	2 119 224	859 764	40.6
<b>Total</b>	<b>6 401 388</b>	<b>3 061 432</b>	<b>47.8</b>	<b>5 863 847</b>	<b>91.6</b>	<b>7 293 382</b>	<b>2 773 150</b>	<b>38.0</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 046 088</b>	<b>654 590</b>	<b>32.0</b>	<b>1 533 019</b>	<b>74.9</b>	<b>2 384 967</b>	<b>781 320</b>	<b>32.8</b>
Compensation of employees	954 808	348 468	36.5	760 896	79.7	1 196 815	437 781	36.6
Goods and services	1 091 280	306 122	28.1	772 123	70.8	1 188 152	343 539	28.9
<b>Transfers and subsidies</b>	<b>4 323 697</b>	<b>2 397 709</b>	<b>55.5</b>	<b>4 240 329</b>	<b>98.1</b>	<b>4 880 555</b>	<b>1 982 298</b>	<b>40.6</b>
Provinces and municipalities	19	77	405.3	87	457.9	45	91	202.2
Departmental agencies and accounts	1 101 316	1 934	0.2	1 101 764	100.0	1 046 454	521 222	49.8
Foreign governments and international organisations	1 230	1 226	99.7	1 226	99.7	1 306	1 148	87.9
Non-profit institutions	2 288	572	25.0	2 288	100.0	2 425	607	25.0
Households	3 218 844	2 393 900	74.4	3 134 964	97.4	3 830 325	1 459 230	38.1
<b>Payments for capital assets</b>	<b>31 602</b>	<b>8 874</b>	<b>28.1</b>	<b>35 577</b>	<b>112.6</b>	<b>27 859</b>	<b>9 159</b>	<b>32.9</b>
Machinery and equipment	30 322	8 289	27.3	35 283	116.4	27 205	8 745	32.1
Biological assets	–	2	0.0	–	0.0	–	–	0.0
Software and other intangible assets	1 280	583	45.5	294	23.0	654	414	63.3
<b>Payments for financial assets</b>	<b>1</b>	<b>259</b>	<b>25 900.0</b>	<b>54 922</b>	<b>5 492 200.0</b>	<b>1</b>	<b>373</b>	<b>37 300.0</b>
<b>Total</b>	<b>6 401 388</b>	<b>3 061 432</b>	<b>47.8</b>	<b>5 863 847</b>	<b>91.6</b>	<b>7 293 382</b>	<b>2 773 150</b>	<b>38.0</b>



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

Total expenditure for 2009/10 was 91.6 per cent of the 2009/10 adjusted appropriation. Expenditure in the first six months of 2010/11 was R2.8 billion, or 38 per cent of the adjusted appropriation of R7.3 billion for the year as a whole. In comparison, mid-year expenditure in 2009/10 was R3.1 billion, or 47.8 per cent of the 2009/10 adjusted appropriation. Expenditure in the first six months of 2010/11 decreased by R288.3 million or 9.4 per cent compared to expenditure in the first six months of 2009/10.

The main expenditure decrease compared to 2009/10 is due to the decline in funding for restitution claims. Restitution exhausted its budget in July 2010/11.

## Departmental receipts

R thousand	2009/10					2010/11			
	Adjusted estimate	Audited outcome			Actual receipts				
		Apr 09 - Sep 09	% of adjusted estimate	Apr 09 - Mar 10	% of adjusted estimate	Budget estimate	Adjusted estimate	Apr 10 - Sep 10	% of adjusted estimate
<b>Departmental receipts</b>	<b>231 217</b>	<b>31 337</b>	<b>13.6</b>	<b>44 047</b>	<b>19.1</b>	<b>68 420</b>	<b>41 679</b>	<b>19 798</b>	<b>47.5</b>
Sales of goods and services produced by department	23 042	8 811	38.2	16 884	73.3	21 620	17 977	9 060	50.4
Sales of scrap, waste, arms and other used current goods	–	75	–	90	–	–	–	–	–
Interest, dividends and rent on land	197 092	20 403	10.4	21 830	11.1	42 600	19 427	8 523	43.9
Sales of capital assets	83	83	100.0	498	600.0	–	75	75	100.0
Transactions in financial assets and liabilities	11 000	1 965	17.9	4 745	43.1	4 200	4 200	2 140	51.0
<b>Total</b>	<b>231 217</b>	<b>31 337</b>	<b>13.6</b>	<b>44 047</b>	<b>19.1</b>	<b>68 420</b>	<b>41 679</b>	<b>19 798</b>	<b>47.5</b>

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

Departmental revenue collection in the first six months of 2010/11 was R19.8 million, or 47.5 per cent of the adjusted revenue estimate of R41.7 million for the year as a whole. In comparison, mid-year revenue collection in 2009/10 was R31.3 million, or 13.6 per cent of the 2009/10 adjusted estimate. Departmental revenue collection in the first six months of 2010/11 decreased by R11.5 million or 36.8 per cent, compared to revenue in the first six months of 2009/10.

The main revenue decrease compared to 2009/10 is due to the establishment of the Agricultural Land Holding Account. Lease payments received are no longer paid into the National Revenue Fund, but deposited into this account.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2010/11					Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
<b>1. Administration</b>							
Households							
Social benefits							
Current	12 294	–	–	2 552	–	2 552	14 846
Employer Social Benefits	4	–	–	52	–	52	56
Bursaries Non-employees	12 290	–	–	2 500	–	2 500	14 790
<b>2. Geospatial and Cadastral Services</b>							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	4	–	–	(3)	–	(3)	1
Vehicle licensing	4	–	–	(3)	–	(3)	1
Households							
Social benefits							
Current	397	–	–	(21)	–	(21)	376
Employer Social Benefits	397	–	–	(21)	–	(21)	376
Households							
Other transfers to households							
Current	546	–	–	25	–	25	571
Bursaries Non-employees	546	–	–	25	–	25	571
<b>4. Restitution</b>							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	8	–	–	2	–	2	10
Vehicle licensing	8	–	–	2	–	2	10
Households							
Other transfers to households							
Capital	1 172 767	487 461	–	1 512 539	–	2 000 000	3 172 767
Restitution grants	1 172 767	487 461	–	1 512 539	–	2 000 000	3 172 767
<b>5. Land Reform</b>							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	8	–	–	12	–	12	20
Vehicle licensing	8	–	–	12	–	12	20

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

		2010/11					
		Adjustments appropriation					
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments	Total adjustments appropriation	Adjusted appropriation
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
	<b>Current</b>						
	1 151 252	-	-	(113 615)	-	(113 615)	1 037 637
KwaZulu-Natal	2 772	-	-	6 385	-	6 385	9 157
Ingonyama Trust Board							
Agricultural Land Holding Account	1 148 480	-	-	(120 000)	-	(120 000)	1 028 480
<b>Households</b>							
<b>Other transfers to households</b>							
	<b>Capital</b>						
	2 521 459	-	-	(1 880 000)	-	(1 880 000)	641 459
Land Reform grants	2 521 459	-	-	(1 880 000)	-	(1 880 000)	641 459

