

Vote 9

National Treasury

Adjusted budget summary

R thousand	2010/11			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	50 219 916	50 209 414	(10 502)	–
of which:				
Current payments	1 449 317	1 448 717	(600)	–
Transfers and subsidies	28 006 063	27 994 479	(11 584)	–
Payments for capital assets	14 536	16 218	–	1 682
Payments for financial assets	20 750 000	20 750 000	–	–
Direct charge against the National Revenue Fund	339 873 684	340 288 688	–	415 004
Executive authority	Minister of Finance			
Accounting officer	Director-General of the National Treasury			
Website address	www.treasury.gov.za			

Aim

The aim of National Treasury is to promote economic development, good governance, social progress and rising living standards through the accountable, economical, equitable and sustainable management of public finances.

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)			
Value of government gross annual borrowing	Asset and Liability Management	Decent employment through inclusive economic growth	R191.7bn	R156.6bn	–
Cost to service debt as a percentage of GDP	Asset and Liability Management	Decent employment through inclusive economic growth	2.6%	2.5%	–
Net loan debt as a percentage of GDP	Asset and Liability Management	Decent employment through inclusive economic growth	33.1%	30.7%	–
Number of training courses and workshops presented on the implementation of financial management reforms per year	Financial Accounting and Reporting	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	100	36	–
Number of individuals trained per year to assist with the implementation of financial management reforms	Financial Accounting and Reporting	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	2 000	1 571	–
Percentage of identified transversal system contracts with strategic sourcing principles introduced per year	Financial Management and Systems	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	100% (37)	35% (13)	–
Number of beneficiaries receiving special pension payments per year	Civil and Military Pensions, Contributions to Funds and Other Benefits	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	6 616	6 577	–
Number of beneficiaries receiving post-retirement medical benefits per year	Civil and Military Pensions, Contributions to Funds and Other Benefits	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	72 467	73 246	–

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)			
Number of contributions to medical aid schemes paid on behalf of members per year	Civil and Military Pensions, Contributions to Funds and Other Benefits	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	76 119	73 246	–
Number of military pension benefits paid to beneficiaries per year	Civil and Military Pensions, Contributions to Funds and Other Benefits	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	7 054	7 096	–
Number of technical assistants assigned to each province per year to assist in building infrastructure delivery capacity through the infrastructure delivery improvement programme	Public Finance and Budget Management	Improved quality of basic education A skilled and capable workforce to support an inclusive growth path An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	34	18	–
Number of municipalities receiving allocations from the financial management grant per year	Provincial and Local Government Transfers	A skilled and capable workforce to support an inclusive growth path A responsive, accountable, effective and efficient local government system	283	283	–
Total number of neighbourhood development partnership grant projects granted award status	Provincial and Local Government Transfers	Sustainable human settlements and improved quality of household life An efficient, competitive and responsible economic infrastructure network	96	90	–
Total number of neighbourhood development partnership grant projects under construction	Provincial and Local Government Transfers	Decent employment through inclusive economic growth A responsive, accountable, effective and efficient local government system	40	47	–
Real growth in consolidated national and provincial public spending (excluding interest costs)	Public Finance and Budget Management	Create a better South Africa and contribute to a better and safer Africa and world	1.0%	– ¹	–

1. Calculated on an annual basis

The number of training courses and workshops presented on the implementation of financial management reforms in the first half of 2010/11 is significantly less than the estimate for the year as a whole, because they have been planned for the second half of the year.

The number of beneficiaries receiving special pensions is relatively high due to more applications as a result of the extension of special pensions benefits to people under the age of 35 and the introduction of spousal benefits.

The percentage of identified transversal system contracts with strategic sourcing principles introduced in the first half of 2010/11 is significantly less than the estimate for the year as a whole, because some contracts run for longer periods and will not be renewed in 2010/11.

The total number of neighbourhood development partnership grant projects under construction in the first half of 2010/11 is higher than the estimate for the year as a whole because the level of municipalities' readiness has improved. The target will be revised in the 2011 ENE process.

Mid-year progress

The 6 577 beneficiaries receiving special pension payments reinforces South Africa's efforts to promote an empowered, fair and inclusive citizenship.

The technical assistants assigned to provinces to assist in building infrastructure delivery capacity contribute to promoting a skilled and capable workforce in the provinces and an efficient, effective and development oriented public service.

All municipalities receive allocations from the financial management grant and this continues to support a skilled and capable workforce. The grant also aims to create a responsive, accountable, effective and efficient local government system.

Adjusted Estimates of National Expenditure 2010

Programme		2010/11					
R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
1. Administration	243 734	-	-	33 712	3 500	37 212	280 946
2. Public Finance and Budget Management	341 765	-	-	(2 938)	2 500	(438)	341 327
3. Asset and Liability Management	67 106	-	-	4 346	1 000	5 346	72 452
4. Financial Management and Systems	498 707	-	-	(29 152)	1 000	(28 152)	470 555
5. Financial Accounting and Reporting	228 381	-	-	(9 609)	4 500	(5 109)	223 272
6. Economic Policy and International Financial Relations	124 721	-	-	3 641	1 600	5 241	129 962
7. Provincial and Local Government Transfers	12 834 500	-	-	-	-	-	12 834 500
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	2 590 949	-	-	-	-	-	2 590 949
9. Fiscal Transfers	33 290 053	-	-	-	(24 602)	(24 602)	33 265 451
Total	50 219 916	-	-	-	(10 502)	(10 502)	50 209 414
Direct charge against the National Revenue Fund							
National Revenue Fund	339 873 684	-	350 000	-	65 004	415 004	340 288 688
Provincial Equitable Share	260 973 745	-	350 000	-	3 815 703	4 165 703	265 139 448
State Debt Costs	71 357 578	-	-	-	(3 750 699)	(3 750 699)	67 606 879
General fuel levy sharing with metropolitan municipalities	7 542 361	-	-	-	-	-	7 542 361
Total	390 093 600	-	350 000	-	54 502	404 502	390 498 102
Economic classification							
Current payments	72 806 895	-	-	(14 700)	(3 736 599)	(3 751 299)	69 055 596
Compensation of employees	538 467	-	-	-	14 100	14 100	552 567
Goods and services	910 850	-	-	(14 700)	-	(14 700)	896 150
Interest and rent on land	71 357 578	-	-	-	(3 750 699)	(3 750 699)	67 606 879
Transfers and subsidies	296 522 169	-	350 000	13 018	3 791 101	4 154 119	300 676 288
Provinces and municipalities	281 225 606	-	350 000	-	3 815 703	4 165 703	285 391 309
Departmental agencies and accounts	11 891 399	-	-	9 140	(24 602)	(15 462)	11 875 937
Universities and technikons	5 500	-	-	-	-	-	5 500
Foreign governments and international organisations	566 764	-	-	(1 873)	-	(1 873)	564 891
Public corporations and private enterprises	282 595	-	-	-	-	-	282 595
Non-profit institutions	75	-	-	-	-	-	75
Households	2 550 230	-	-	5 751	-	5 751	2 555 981
Payments for capital assets	14 536	-	-	1 682	-	1 682	16 218
Machinery and equipment	14 536	-	-	1 682	-	1 682	16 218
Payments for financial assets	20 750 000	-	-	-	-	-	20 750 000
Total	390 093 600	-	350 000	-	54 502	404 502	390 498 102

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	52 418	–	–	2 553	2 070	4 623	57 041	
Corporate Services	136 307	–	–	24 572	1 373	25 945	162 252	
Office Accomodation	51 697	–	–	6 587	57	6 644	58 341	
Total	243 734	–	–	33 712	3 500	37 212	280 946	
Economic classification								
Current payments	234 528	–	–	30 773	3 500	34 273	268 801	
Compensation of employees	120 086	–	–	3 712	3 500	7 212	127 298	
Goods and services	114 442	–	–	27 061	–	27 061	141 503	
Transfers and subsidies	1 880	–	–	194	–	194	2 074	
Departmental agencies and accounts	280	–	–	140	–	140	420	
Households	1 600	–	–	54	–	54	1 654	
Payments for capital assets	7 326	–	–	2 745	–	2 745	10 071	
Machinery and equipment	7 326	–	–	2 745	–	2 745	10 071	
Total	243 734	–	–	33 712	3 500	37 212	280 946	

Programme 2: Public Finance and Budget Management

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Public Finance	58 971	–	–	(406)	615	209	59 180	
Budget Office	48 091	–	–	(939)	248	(691)	47 400	
Intergovernmental Relations	41 272	–	–	7 587	287	7 874	49 146	
Technical and Management Support	193 431	–	–	(9 180)	1 350	(7 830)	185 601	
Total	341 765	–	–	(2 938)	2 500	(438)	341 327	
Economic classification								
Current payments	320 638	–	–	(6 381)	2 500	(3 881)	316 757	
Compensation of employees	155 987	–	–	6 424	2 500	8 924	164 911	
Goods and services	164 651	–	–	(12 805)	–	(12 805)	151 846	
Transfers and subsidies	19 863	–	–	3 006	–	3 006	22 869	
Departmental agencies and accounts	19 363	–	–	3 000	–	3 000	22 363	
Universities and technikons	500	–	–	–	–	–	500	
Households	–	–	–	6	–	6	6	
Payments for capital assets	1 264	–	–	437	–	437	1 701	
Machinery and equipment	1 264	–	–	437	–	437	1 701	
Total	341 765	–	–	(2 938)	2 500	(438)	341 327	

Programme 3: Asset and Liability Management

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Management	13 084	–	–	2 042	17	2 059	15 143	
Asset Management	19 481	–	–	1 669	160	1 829	21 310	
Liability Management	13 253	–	–	252	680	932	14 185	
Financial Operations	13 338	–	–	912	57	969	14 307	
Strategy and Risk Management	7 950	–	–	(529)	86	(443)	7 507	
Total	67 106	–	–	4 346	1 000	5 346	72 452	

Programme 3: Asset and Liability Management (continued)

R thousand	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
Economic classification								
Current payments	66 317	-	-	4 820	1 000	5 820	72 137	
Compensation of employees	48 587	-	-	1 554	1 000	2 554	51 141	
Goods and services	17 730	-	-	3 266	-	3 266	20 996	
Payments for capital assets	789	-	-	(474)	-	(474)	315	
Machinery and equipment	789	-	-	(474)	-	(474)	315	
Total	67 106	-	-	4 346	1 000	5 346	72 452	

Programme 4: Financial Management and Systems

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
Economic classification								
Current payments	497 865	-	-	(29 474)	1 000	(28 474)	469 391	
Compensation of employees	43 801	-	-	(663)	1 000	337	44 138	
Goods and services	454 064	-	-	(28 811)	-	(28 811)	425 253	
Transfers and subsidies	-	-	-	48	-	48	48	
Households	-	-	-	48	-	48	48	
Payments for capital assets	842	-	-	274	-	274	1 116	
Machinery and equipment	842	-	-	274	-	274	1 116	
Total	498 707	-	-	(29 152)	1 000	(28 152)	470 555	

Programme 5: Financial Accounting and Reporting

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
Economic classification								
Current payments	172 267	-	-	(14 229)	4 500	(9 729)	162 538	
Compensation of employees	81 211	-	-	(7 689)	4 500	(3 189)	78 022	
Goods and services	91 056	-	-	(6 540)	-	(6 540)	84 516	
Transfers and subsidies	52 589	-	-	6 000	-	6 000	58 589	
Departmental agencies and accounts	52 189	-	-	6 000	-	6 000	58 189	
Households	400	-	-	-	-	-	400	
Payments for capital assets	3 525	-	-	(1 380)	-	(1 380)	2 145	
Machinery and equipment	3 525	-	-	(1 380)	-	(1 380)	2 145	
Total	228 381	-	-	(9 609)	4 500	(5 109)	223 272	

Programme 6: Economic Policy and International Financial Relations

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Management and Research	26 283	–	–	1 244	225	1 469	27 752	
Financial Sector Policy	25 949	–	–	(1 474)	199	(1 275)	24 674	
Tax Policy	24 809	–	–	44	193	237	25 046	
International Economics	20 708	–	–	4 939	249	5 188	25 896	
Economic Policy	26 972	–	–	(1 112)	734	(378)	26 594	
Total	124 721	–	–	3 641	1 600	5 241	129 962	
Economic classification								
Current payments	118 931	–	–	3 561	1 600	5 161	124 092	
Compensation of employees	88 795	–	–	(3 338)	1 600	(1 738)	87 057	
Goods and services	30 136	–	–	6 899	–	6 899	37 035	
Transfers and subsidies	5 000	–	–	–	–	–	5 000	
Universities and technikons	5 000	–	–	–	–	–	5 000	
Payments for capital assets	790	–	–	80	–	80	870	
Machinery and equipment	790	–	–	80	–	80	870	
Total	124 721	–	–	3 641	1 600	5 241	129 962	

Programme 8: Civil and Military Pensions, Contributions to Funds and Other Benefits

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Civil Pensions and Contributions to Funds	2 406 607	–	–	679	–	679	2 407 286	
Military Pensions and Other Benefits	184 342	–	–	(679)	–	(679)	183 663	
Total	2 590 949	–	–	–	–	–	2 590 949	
Economic classification								
Current payments	38 771	–	–	(3 770)	–	(3 770)	35 001	
Goods and services	38 771	–	–	(3 770)	–	(3 770)	35 001	
Transfers and subsidies	2 552 178	–	–	3 770	–	3 770	2 555 948	
Foreign governments and international organisations	3 873	–	–	(1 873)	–	(1 873)	2 000	
Non-profit institutions	75	–	–	–	–	–	75	
Households	2 548 230	–	–	5 643	–	5 643	2 553 873	
Total	2 590 949	–	–	–	–	–	2 590 949	

Programme 9: Fiscal Transfers

Subprogramme	2010/11							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Eskom	20 000 000	–	–	–	–	–	20 000 000	
South African Revenue Service	8 066 810	–	–	–	75 398	75 398	8 142 208	
Financial and Fiscal Commission	31 391	–	–	–	–	–	31 391	
Secret Services	3 306 752	–	–	–	–	–	3 306 752	
Financial Intelligence Centre	281 414	–	–	–	(100 000)	(100 000)	181 414	
Cooperative Banking Development Agency	8 200	–	–	–	–	–	8 200	
Development Bank of Southern Africa - Siyenza Manje	282 595	–	–	–	–	–	282 595	
Land Bank	750 000	–	–	–	–	–	750 000	
Common Monetary Area Compensation	380 957	–	–	–	–	–	380 957	
Regional Integration	1	–	–	–	–	–	1	
Financial and Technical Support	18 087	–	–	–	–	–	18 087	
African Development Bank and African Development Fund	80 567	–	–	–	–	–	80 567	
World Bank Group (including IDA)	68 000	–	–	–	–	–	68 000	
Collaborative Africa Budget Reform Initiative	1 200	–	–	–	–	–	1 200	
Commonwealth Fund for Technical Cooperation	4 079	–	–	–	–	–	4 079	
International Funding Facility for Immunization	10 000	–	–	–	–	–	10 000	
Total	33 290 053	–	–	–	(24 602)	(24 602)	33 265 451	

Programme 9: Fiscal Transfers (continued)

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Economic classification							
Transfers and subsidies	12 540 053	-	-	-	(24 602)	(24 602)	12 515 451
Departmental agencies and accounts	11 694 567	-	-	-	(24 602)	(24 602)	11 669 965
Foreign governments and international organisations	562 891	-	-	-	-	-	562 891
Public corporations and private enterprises	282 595	-	-	-	-	-	282 595
Payments for financial assets	20 750 000	-	-	-	-	-	20 750 000
Total	33 290 053	-	-	-	(24 602)	(24 602)	33 265 451

Direct charge against the National Revenue Fund

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Subprogramme							
Provincial Equitable Share	260 973 745	-	350 000	-	3 815 703	4 165 703	265 139 448
State Debt Costs	71 357 578	-	-	-	(3 750 699)	(3 750 699)	67 606 879
General fuel levy sharing with metropolitan municipalities	7 542 361	-	-	-	-	-	7 542 361
Total	339 873 684	-	350 000	-	65 004	415 004	340 288 688
Economic classification							
Current payments	71 357 578	-	-	-	(3 750 699)	(3 750 699)	67 606 879
Interest and rent on land	71 357 578	-	-	-	(3 750 699)	(3 750 699)	67 606 879
Transfers and subsidies	268 516 106	-	350 000	-	3 815 703	4 165 703	272 681 809
Provinces and municipalities	268 516 106	-	350 000	-	3 815 703	4 165 703	272 681 809
Total	339 873 684	-	350 000	-	65 004	415 004	340 288 688

Details of adjustments to Estimates of National Expenditure 2010

Virement and shifts

Programmes					
1. Administration					
2. Public Finance and Budget Management					
3. Asset and Liability Management					
4. Financial Management and Systems					
5. Financial Accounting and Reporting					
6. Economic Policy and International Financial Relations					
7. Provincial and Local Government Transfers					
8. Civil and Military Pensions, Contributions to Funds and Other Benefits					
9. Fiscal Transfers					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(12 805)	Programme 1		9 362
Goods and services	Reduction on consultants and professional services	(9 362)	Goods and services	For increase in computer services	9 362
			Programme 2		3 006
	Reduction on consultants and professional services	(3 000)	Departmental agencies and accounts	For transfer to the project development facility trading account ¹	3 000
	Reduction on agency and support services	(6)	Households	For leave gratuity for retired officials	6
			Programme 3		437
	Reduction on travel and subsistence	(437)	Goods and services	For increase in computer services	437
Percentage of programme budget		3.7%			

2010 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 3		(474)	Programme 2		437
Machinery and equipment	Reduction on computer equipment	(437)	Machinery and equipment	For computer equipment	437
			Programme 4		37
	Reduction on computer equipment	(37)	Machinery and equipment	For computer equipment	37
Percentage of programme budget		0.7%			
Programme 4		(29 474)	Programme 2		663
Compensation of employees	Reduction due to delays in acquiring appropriate skills	(663)	Compensation of employees	For additional posts due to priority changes	663
			Programme 1		19 258
Goods and services	Reduction on transversal systems, operational costs and the integrated financial management systems project ¹	(17 699)	Goods and services	For security, cleaning, as well as a boardroom upgrade	17 699
	Reduction on transversal systems, operational costs and the integrated financial management systems project ¹	(1 365)	Machinery and equipment	For security, office, telecommunication and computer equipment	1 365
	Reduction on communication	(140)	Departmental agencies and accounts	For transfers relating to the skills development levy	140
	Reduction on inventory	(54)	Households	For leave gratuity for retired officials	54
			Programme 3		2 289
	Reduction on transversal systems and the integrated financial management systems project ¹	(2 289)	Goods and services	For completing the back office system project	2 289
	Reduction on travel and subsistence	(237)	Programme 4		285
	Reduction on operating leases	(48)	Machinery and equipment	For computer equipment	237
	Reduction on transversal systems and the integrated financial management systems project ¹	(6 899)	Households	For leave gratuity for retired officials	48
			Programme 6		6 979
	Reduction on venues and facilities	(80)	Goods and services	For research into the wage subsidy on employment for young people, and for hosting the Southern African Development Community and the Southern African Customs Union meetings	6 899
			Machinery and equipment	For computer equipment	80
Percentage of programme budget		5.9%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 5		(15 609)	Programme 1		3 712
Compensation of employees	Reduction due to delays in acquiring appropriate skills	(3 712)	Compensation of employees	For additional posts due to priority changes	3 712
			Programme 2		3 977
	Reduction due to delays in acquiring appropriate skills	(3 977)	Compensation of employees	For additional posts due to priority changes	3 977
			Programme 3		540
Goods and services	Reduction on contractors and inventory	(540)	Goods and services	For computer services	540
			Programme 5		6 000
	Reduction on audit costs and computer services	(6 000)	Departmental agencies and accounts	For transfer to the Independent Regulatory Board of Auditors ¹	6 000
			Programme 1		1 380
Machinery and equipment	Reduction on computer equipment	(1 380)	Machinery and equipment	For security, office, telecommunication and computer equipment	1 380
Percentage of programme budget		6.8%			
Programme 6		(3 338)	Programme 2		1 784
Compensation of employees	Reduction due to delays in acquiring appropriate skills	(1 784)	Compensation of employees	For additional posts due to priority changes	1 784
			Programme 3		1 554
	Reduction due to delays in acquiring appropriate skills	(1 554)	Compensation of employees	For additional posts due to priority changes	1 554
Percentage of programme budget		2.7%			
Programme 8		(18 784)	Programme 8		18 784
Goods and services	Reduction on consultants and professional services: Civil pensions	(10 001)	Households	For transfers for injury on duty	10 001
Foreign governments and international organisations	Reduction in the United Kingdom Tax	(1 873)	Households	For transfers for injury on duty	1 873
Households	Reduction on Other Benefits	(6 231)	Goods and services	For consultants and professional services: Military pensions	6 231
			Households	For transfers for injury on duty	679
	Reduction on Military Pension Ex-servicemen transfers	(679)			
Percentage of programme budget		0.7%			
Total		(80 484)			80 484

1. National Treasury approval has been obtained.

Other adjustments – R10.502 million

Adjustments due to significant and unforeseeable economic and financial events

An additional R89.498 million is allocated for higher personnel remuneration increases than the main budget provided for, including the increased housing allowance, as follows:

Programme 1: Administration

R3.5 million

Programme 2: Public Finance and Budget Management

R2.5 million

Programme 3: Asset and Liability Management

R1 million

Programme 4: Financial Management and Systems

R1 million

Programme 5: Financial Accounting and Reporting

R4.5 million

Programme 6: Economic Policy and International Financial Relations

R1.6 million

Programme 9: Fiscal Transfers

R75.398 million for the South African Revenue Service

Declared savings

Programme 9: Fiscal Transfers

Savings of R100 million due to the completion of the ICT project for the Financial Intelligence Centre in 2010/11 have been declared.

Direct charge against the National Revenue Fund – R415.004 million

Unforeseeable and unavoidable expenditure – R350 million

An additional R350 million is allocated for the occupation specific dispensation in the health sector on the provincial equitable share.

Other adjustments – R3.816 billion

Adjustments due to significant and unforeseeable economic and financial events

An additional R3.816 billion is allocated for higher personnel remuneration increases than the main budget provided for, including the increased housing allowance, on the provincial equitable share.

State debt costs – R3.751 billion

State debt costs have been reduced by R3.751 billion mainly due to improved macroeconomic forecasts (lower interest rates, inflation rates and a stronger rand) and an improved fiscal position.

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	238 339	99 893	41.9	242 790	101.9	280 946	111 504	39.7
2. Public Finance and Budget Management	253 650	118 110	46.6	262 916	103.7	341 327	103 105	30.2
3. Asset and Liability Management	66 174	25 816	39.0	53 174	80.4	72 452	32 926	45.4
4. Financial Management and Systems	499 379	193 980	38.8	405 632	81.2	470 555	154 797	32.9
5. Financial Accounting and Reporting	149 808	53 732	35.9	137 110	91.5	223 272	61 595	27.6
6. Economic Policy and International Financial Relations	103 462	43 399	41.9	94 487	91.3	129 962	50 819	39.1
7. Provincial and Local Government Transfers	14 410 631	9 278 861	64.4	14 327 371	99.4	12 834 500	5 849 003	45.6
8. Civil and Military Pensions, Contributions to Funds and Other Benefits	4 920 302	2 098 871	42.7	4 955 140	100.7	2 590 949	1 409 468	54.4
9. Fiscal Transfers	42 203 825	20 193 932	47.8	42 190 108	100.0	33 265 451	15 966 143	48.0
Subtotal	62 845 570	32 106 594	51.1	62 668 728	99.7	50 209 414	23 739 360	47.3

	2009/10					2010/11		
	Expenditure outcome					Preliminary expenditure		
R thousand	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
Direct charge against the National Revenue Fund	303 672 821	143 253 500	47.2	300 820 147	99.1	340 288 688	165 988 723	48.8
Provincial Equitable Share	236 877 763	114 875 202	48.5	236 890 827	100.0	265 139 448	130 486 890	49.2
State Debt Costs	59 994 954	28 224 567	47.0	57 129 216	95.2	67 606 879	32 987 713	48.8
General fuel levy sharing with metropolitan municipalities	6 800 104	153 731	2	6 800 104	100	7 542 361	2 514 120	33
Total	366 518 391	175 360 094	47.8	363 488 875	99.2	390 498 102	189 728 083	38.6
Economic classification	61 249 077	28 720 569	46.9	58 259 412	95.1	69 055 596	33 476 749	48.5
Current payments								
Compensation of employees	438 472	196 957	44.9	402 073	91.7	552 567	239 199	43.3
Goods and services	815 651	299 045	36.7	728 123	89.3	896 150	249 837	27.9
Interest and rent on land	59 994 954	28 224 567	47.0	57 129 216	95.2	67 606 879	32 987 713	48.8
Transfers and subsidies	274 253 027	131 636 983	48.0	274 217 393	100.0	300 676 288	146 248 776	48.6
Provinces and municipalities	257 978 498	124 307 794	48.2	257 948 304	100.0	285 391 309	138 850 013	48.7
Departmental agencies and accounts	10 568 722	5 042 035	47.7	10 510 985	99.5	11 875 937	5 806 419	48.9
Universities and technikons	5 456	4 356	79.8	5 456	100.0	5 500	5 000	90.9
Foreign governments and international organisations	549 045	50 063	9.1	555 186	101.1	564 891	49 605	8.8
Public corporations and private enterprises	267 407	133 741	50.0	267 444	100.0	282 595	141 297	50.0
Non-profit institutions	71	–	0.0	68	95.8	75	–	0.0
Households	4 883 828	2 098 994	43.0	4 929 950	100.9	2 555 981	1 396 442	54.6
Payments for capital assets	16 287	2 521	15.5	11 652	71.5	16 218	2 489	15.3
Machinery and equipment	16 287	2 521	15.5	11 652	71.5	16 218	2 489	15.3
Payments for financial assets	31 000 000	15 000 021	48.4	31 000 418	100	20 750 000	10 000 069	48.2
Total	366 518 391	175 360 094	47.8	363 488 875	99.2	390 498 102	189 728 083	48.6

Main expenditure trends for the first half of 2010/11

Total expenditure for 2009/10 was 99.2 per cent of the 2009/10 adjusted appropriation. Expenditure in the first six months of 2010/11 was R189.728 billion, or 48.6 per cent of the adjusted appropriation of R390.498 billion for the year as a whole. In comparison, mid-year expenditure in 2009/10 was R175.360 billion, or 47.8 per cent of the 2009/10 adjusted appropriation. Expenditure in the first six months of 2010/11 increased by R14.368 billion or 8.2 per cent, compared to expenditure in the first six months of 2009/10.

The main expenditure increase compared to 2009/10 is due to 15.9 per cent increased spending on direct charges against the National Revenue Fund (13.6 per cent for the provincial equitable share; 16.9 per cent on state debt costs; and higher spending on the general fuel levy, transferred earlier this year than in 2009/10). In comparison, mid-year voted expenditure is 26.1 per cent lower. This is due to the once-off allocation for the Gautrain in 2009/10, as well as a decrease in the Eskom loan transfer compared to mid-year 2009/10.

Departmental receipts

R thousand	2009/10					2010/11			
	Adjusted estimate	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
Departmental receipts	4 148 462	547 426	13.2	3 543 597	85.4	2 354 152	3 204 202	1 404 617	43.8
Sales of goods and services produced by department	123 615	23 033	18.6	300 418	243.0	84 903	84 903	38 935	45.9
Sales of scrap, waste, arms and other used current goods	-	1	-	3	-	6	6	2	33.3
Interest, dividends and rent on land	3 394 377	393 124	11.6	2 085 054	61.4	2 012 000	2 861 970	1 359 586	47.5
Sales of capital assets	2	1	50.0	212	10 600.0	-	80	80	100.0
Transactions in financial assets and liabilities	630 468	131 267	20.8	1 157 910	183.7	257 243	257 243	6 014	2.3
Total	4 148 462	547 426	13.2	3 543 597	85.4	2 354 152	3 204 202	1 404 617	43.8

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

Departmental revenue collection in the first six months of 2010/11 was R1.405 billion, or 43.8 per cent of the adjusted revenue estimate of R3.204 billion for the year as a whole. In comparison, mid-year revenue collection in 2009/10 was R547.4 million, or 13.2 per cent of the 2009/10 adjusted estimate. Departmental revenue collection in the first six months of 2010/11 increased by R857.2 million or 156.6 per cent, compared to revenue in the first six months of 2009/10.

The main revenue increase compared to 2009/10 is due to interest, dividends and rent on land that have increased by 245.8 per cent due to more interest from the major commercial banks. Sales of goods and services produced by the department have increased by 69 per cent, due to higher fees for government guarantees. Sales of capital assets have increased mainly due to the disposal of two motor vehicles. Sales of scrap, waste, arms and other used current goods have increased due to higher amounts received for the sale of waste paper. The decrease of 95.4 per cent in transactions in financial assets and liabilities is due to a delay in the receipt of the surplus for the Corporation for Public Deposit account held with the South African Reserve Bank, which is normally received in September.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
1. Administration							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	280	-	-	140	-	140	420
Finance, Accounting, Management, Consulting and other Financial Services (Fasset) Sector Education and Training Authority	280	-	-	140	-	140	420
Households							
Social benefits							
Current	-	-	-	54	-	54	54
Severance packages	-	-	-	54	-	54	54

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

R thousand	2010/11						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
2. Public Finance and Budget Management							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	-	-	-	3 000	-	3 000	3 000
Project Development Facility	-	-	-	3 000	-	3 000	3 000
Trading Account							
Households							
Social benefits							
Current	-	-	-	6	-	6	6
Severance packages	-	-	-	6	-	6	6
4. Financial Management and Systems							
Households							
Social benefits							
Current	-	-	-	48	-	48	48
Severance Packages	-	-	-	48	-	48	48
5. Financial Accounting and Reporting							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	23 296	-	-	6 000	-	6 000	29 296
Independent Regulatory Board for Auditors	23 296	-	-	6 000	-	6 000	29 296
8. Civil and Military Pensions, Contributions to Funds and Other Benefits							
Foreign governments and international organisations							
Current	3 873	-	-	(1 873)	-	(1 873)	2 000
United Kingdom tax	3 873	-	-	(1 873)	-	(1 873)	2 000
Households							
Social benefits							
Current	2 518 243	-	-	5 643	-	5 643	2 523 886
Civil Pensions	2 339 565	-	-	12 553	-	12 553	2 352 118
Military Pensions	178 678	-	-	(6 910)	-	(6 910)	171 768
9. Fiscal Transfers							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	8 085 257	-	-	-	(4 602)	(4 602)	8 080 655
South African Revenue Service	7 896 638	-	-	-	75 398	75 398	7 972 036
Financial Intelligence Centre	188 619	-	-	-	(80 000)	(80 000)	108 619
Capital	92 795	-	-	-	(20 000)	(20 000)	72 795
Financial Intelligence Centre	92 795	-	-	-	(20 000)	(20 000)	72 795
Direct charge against the National Revenue Fund							
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	260 973 745	-	350 000	-	3 815 703	4 165 703	265 139 448
Provincial equitable share	260 973 745	-	350 000	-	3 815 703	4 165 703	265 139 448

