

# **Adjusted Estimates of National Expenditure**

**2014**

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## **2014**

**National Treasury**

**Republic of South Africa**

October 2014





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# Introduction

## The budget cycle timeline

**February:** The Minister of Finance tables the main Budget and Appropriation Bill in the National Assembly.

**April:** Start of the new financial year.

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

## The main Budget process

The main Budget announces government spending for three years going forward: that is, the years of the medium-term expenditure framework (MTEF). Through an accompanying Appropriation Bill, the Executive seeks Parliament's approval and adoption of its spending plans for the new financial year. Amounts allocated for the first year of the new MTEF period are then appropriated from the National Revenue Fund in terms of the Appropriation Act, once approved by the President. The main Budget also provides for a contingency reserve for expenditure related to unforeseen circumstances.

Allocations provided for in Appropriation acts are shown by vote. Generally, a vote specifies the total amount appropriated per department. In some cases, a vote may contain more than one department.

## The adjustments budget process

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

The Estimates of National Expenditure (ENE) describes in detail the planned spending of all national government votes over the MTEF period. The Adjusted Estimates of National Expenditure (AENE) describes in detail the revised spending plans for the first year of the MTEF period, that is the current financial year.

## The adjustments

The Public Finance Management Act (1999) (PFMA)<sup>1</sup> specifies the type of spending the adjustments budget may provide for. The Treasury Regulations, issued by National Treasury in terms of the PFMA<sup>2</sup>, provide instructions on how to comply with the PFMA.

The adjustments budget makes provision for:

- **Roll-overs:** Unspent funds from the preceding financial year that may be rolled over when activities planned to be completed by the end of that year have not been completed but are close to completion. The Treasury Regulations<sup>3</sup> restrict roll-overs as follows: compensation of employees funding may not be rolled over; a maximum of 5 per cent of a department's budget for goods and services may be rolled over; transfers and subsidies funding may not be rolled over for any purpose other than what the funds were originally allocated for; and unspent funds on payments for capital assets may only be rolled over to finalise projects or assets acquisitions already in progress.

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<sup>1</sup> Section 30(2).

<sup>2</sup> Section 76.

<sup>3</sup> Section 6.4.

- **Unforeseeable and unavoidable expenditure:** Expenditure that could not be anticipated at the time of the main Budget. The Treasury Regulations<sup>4</sup> specify that the following may not be regarded as unforeseeable and unavoidable expenditure: spending that was known when the main Budget was being finalised but that could not be accommodated in the allocations at the time; spending increases due to tariff adjustments and price increases; and spending to extend existing services or create new services that are not unforeseeable and unavoidable. Spending made necessary by adverse weather conditions is an example of unforeseeable and unavoidable expenditure.
- **Virements:** The utilisation of unspent funds from amounts appropriated under one main division (programme) towards the defrayment of excess expenditure under another main division (programme) within the same vote. Enacted legislation<sup>5</sup> and the Treasury Regulations<sup>6</sup> set parameters within which virements may take place.
- **Shifts:** The utilisation of unspent funds towards the defrayment of increased expenditure within a main division (programme) of a vote between different segments (subprogramme and economic classification) of the main division (programme). Shifts may include the reallocation of funds incorrectly allocated during the ENE process.
- **Function shifts:**<sup>7</sup> Functions which are shifted to another vote or institution in terms of legislation and/or following the reassignment of responsibility for the functions. The associated assets, including personnel, and liabilities also need to be shifted. Such shifts can also happen between main divisions (programmes) within a vote.
- **Appropriation of expenditure earmarked in the main Budget speech for future allocation:** In certain instances, an amount to be allocated for a specific purpose will be announced by the Minister of Finance when the main Budget is tabled, although the details of the annual allocation is to be decided later. This is usually when plans have not been finalised in time to decide on the specific allocation amount for the main Budget.
- **Adjustments due to significant and unforeseeable economic and financial events:** When unforeseeable economic and financial events affect the fiscal targets set by the main Budget, adjustments may need to be made. Significantly higher inflation than anticipated in budget projections for the MTEF period is an example of such an event.
- **Emergencies:**<sup>8</sup> The Minister of Finance can approve the use of unappropriated funds, if it is for spending of an exceptional nature. This happens if postponing the spending to a future parliamentary appropriation would seriously prejudice the public interest.
- **Self-financing expenditure:** Spending financed from revenue derived from a vote's specific activities. The revenue is paid into the National Revenue Fund. If self-financing expenditure is approved, these funds are allocated to the vote.
- **Declared unspent funds:** Unspent amounts that departments explicitly indicate they will not require in the current financial year.
- **Direct charges against the National Revenue Fund:** Amounts spent in terms of statutes and that do not require parliamentary approval, such as expenditure on state debt costs.
- **Gifts, donations and sponsorships:**<sup>9</sup> If valued at more than R100 000 per transaction, these are included in the adjustments budget.

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<sup>4</sup> Section 6.6.

<sup>5</sup> Section 43 of the PFMA and also section 5 of the Appropriation Act (2014).

<sup>6</sup> Section 6.3.

<sup>7</sup> Section 42 of the PFMA.

<sup>8</sup> Section 16 of the PFMA.

<sup>9</sup> Treasury Regulation 21.



## Summary of the adjustments for 2014/15

Adjustments to vote appropriations amount to R1 269.532 million, of which:

• roll-overs	R157.724 million
• unforeseeable and unavoidable expenditure	R789.618 million
• self-financing expenditure	R705.127 million
• announced by the Minister of Finance in the 2014 Budget speech	R620.000 million
• declared unspent funds (reduction to vote allocations)	(R1 002.937 million)

Adjustments to estimates of direct charges against the National Revenue Fund amount to R342.156 million less than anticipated at the time of the main Budget, of which:

• Deputy President's salary	R2.478 million
• National Revenue Fund payments	R310.857 million
• debt service costs	(R415.491 million)
• skills levy and sector education and training authorities	(R240.000 million)

The adjustments to vote appropriations and estimates of direct charges are offset against the R3 billion unallocated reserves set aside in the main Budget. In addition, the revised budget framework makes provision for approximately R3.65 billion in projected underspending at the national government level, and R500 million at the local government level. The total estimated level of spending thus decreases by R6.223 billion, from a budgeted R1 142.562 billion to a revised R1 136.340 billion.

## Summary tables

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Table 7: Self-financing expenditure

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**Table 1: 2014/15 adjusted national budget**

	Main appropriation (ENE)	Adjustments appropriation (AENE)	Adjusted appropriation (AENE)
R thousand			
<b>Appropriation by vote</b>	<b>635 349 395</b>	<b>1 269 532</b>	<b>636 618 927</b>
Main appropriation	635 349 395		
<b>Total adjustments</b>		<b>1 269 532</b>	
Roll-overs		157 724	
Unforeseeable and unavoidable expenditure		789 618	
Unallocated and announced in the 2014 Budget		620 000	
Self-financing		705 127	
Declared unspent funds		(1 002 937)	
<b>Direct charges against the National Revenue Fund</b>	<b>504 213 004</b>	<b>(342 156)</b>	<b>503 870 848</b>
<i>Of which:</i>			
Debt service costs	362 468 075	(415 491)	362 052 584
National Revenue Fund payments	–	310 857	310 857
Deputy President's salary	–	2 478	2 478
Skills levy and sector education and training authorities	13 440 000	(240 000)	13 200 000
<b>Subtotal</b>	<b>1 139 562 399</b>	<b>927 376</b>	<b>1 140 489 775</b>
Unallocated reserves	3 000 000	(3 000 000)	–
National government projected underspending	–	(3 650 000)	(3 650 000)
Local government repayment to the National Revenue Fund	–	(500 000)	(500 000)
<b>Total estimated expenditure</b>	<b>1 142 562 399</b>	<b>(6 222 624)</b>	<b>1 136 339 775</b>
<b>Main budget revenue</b>	<b>962 781 758</b>	<b>(6 153 282)</b>	<b>956 628 476</b>
Tax revenue	993 650 032	(10 040 514)	983 609 518
Non-tax revenue	20 869 382	3 887 232	24 756 614
Less: Estimate of Southern African Customs Union payments	(51 737 656)	–	(51 737 656)
<b>Budget balance</b>	<b>(179 780 641)</b>	<b>69 342</b>	<b>(179 711 299)</b>

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

Vote number and title		2014/15							Adjusted appropriation	Value of virements and shifts
		Adjustments appropriation						Total adjustments appropriation		
		Main appropriation	Roll-overs	Unforeseeable/unavoidable	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
1	The Presidency	1 177 848	-	-	(525 678)	-	-	(525 678)	652 170	2 697
2	Parliament	1 508 170	-	-	-	-	-	-	1 508 170	16 000
3	Cooperative Governance and Traditional Affairs	63 212 720	80 214	160 951	-	-	-	241 165	63 453 885	13 882
4	Home Affairs	6 623 702	-	-	-	-	600 000	600 000	7 223 702	-
5	International Relations and Cooperation	5 754 324	-	350 000	-	-	-	350 000	6 104 324	195 471
6	Performance Monitoring and Evaluation	208 164	-	-	(208 164)	-	-	(208 164)	-	-
7	Public Works	6 121 320	-	-	-	-	-	-	6 121 320	146 385
8	Women, Children and People with Disabilities	218 530	-	-	(218 530)	-	-	(218 530)	-	-
9	Government Communication and Information System	413 069	-	12 000	-	-	-	12 000	425 069	6 366
10	National Treasury	27 265 010	-	-	-	(561 087)	-	(561 087)	26 703 923	607 064
11	Public Enterprises	259 786	-	63 141	-	-	-	63 141	322 927	6 587
12	Public Service and Administration	875 074	-	-	-	-	-	-	875 074	20 287
13	Statistics South Africa	2 242 514	-	-	-	-	-	-	2 242 514	60 695
14	Arts and Culture	3 524 748	-	-	-	-	-	-	3 524 748	187 053
15	Basic Education	19 680 146	9 727	-	-	-	-	9 727	19 689 873	470 518
16	Health	33 955 475	-	32 595	-	(113 000)	25 500	(54 905)	33 900 570	511 002
17	Higher Education and Training	36 866 681	-	-	-	-	-	-	36 866 681	25 566
18	Labour	2 527 292	-	19 000	-	-	-	19 000	2 546 292	67 580
19	Social Development	128 799 378	10 500	-	33 766	(250 000)	-	(205 734)	128 593 644	54 830
20	Sport and Recreation South Africa	970 404	-	-	-	-	-	-	970 404	37 677
21	Correctional Services	19 721 111	-	-	-	-	728	728	19 721 839	1 947
22	Defence and Military Veterans	42 831 234	-	-	-	-	25 645	25 645	42 856 879	522 958
23	Independent Police Investigative Directorate	234 719	-	-	-	-	-	-	234 719	25 362
24	Justice and Constitutional Development	15 161 871	-	-	-	-	-	-	15 161 871	592 939
25	Police	72 507 243	-	-	-	-	-	-	72 507 243	690 202
26	Agriculture, Forestry and Fisheries	6 692 383	-	-	-	-	-	-	6 692 383	84 757
27	Communications	1 593 427	-	23 230	-	-	620 000	643 230	2 236 657	37 000
28	Economic Development	696 860	-	-	-	-	-	-	696 860	45 190
29	Energy	7 415 639	18 901	-	-	-	3 254	22 155	7 437 794	17 882
30	Environmental Affairs	5 668 386	-	12 000	-	-	-	12 000	5 680 386	156 066
31	Human Settlements	30 521 392	-	-	(1 103 787)	-	-	(1 103 787)	29 417 605	280 123
32	Mineral Resources	1 471 291	-	4 250	-	-	-	4 250	1 475 541	88 147
33	Rural Development and Land Reform	9 455 305	-	-	-	-	-	-	9 455 305	964 861
34	Science and Technology	6 470 190	9 700	-	-	-	-	9 700	6 479 890	51 322
35	Tourism	1 662 110	-	-	-	(78 850)	-	(78 850)	1 583 260	8 318
36	Trade and Industry	9 835 029	-	33 700	-	-	50 000	83 700	9 918 729	232 386
37	Transport	48 726 518	-	44 151	-	-	-	44 151	48 770 669	5 818
38	Water Affairs	12 480 332	-	-	(12 480 332)	-	-	(12 480 332)	-	-
39	Planning, Monitoring and Evaluation	-	-	-	733 842	-	-	733 842	733 842	20 735
42	Water and Sanitation	-	28 682	34 600	13 584 119	-	-	13 647 401	13 647 401	24 869
43	Women	-	-	-	184 764	-	-	184 764	184 764	2 215
<b>Total appropriation by vote</b>		<b>635 349 395</b>	<b>157 724</b>	<b>789 618</b>	<b>-</b>	<b>(1 002 937)</b>	<b>1 325 127</b>	<b>1 269 532</b>	<b>636 618 927</b>	<b>6 287 757</b>

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

R thousand	2014/15							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Function shifts	Declared unspent funds	Other adjustments		
Plus:								
<b>Total direct charges against the National Revenue Fund</b>	<b>504 213 004</b>	–	–	–	–	<b>(342 156)</b>	<b>(342 156)</b>	<b>503 870 848</b>
President and Deputy President salaries (The Presidency)	2 972	–	–	–	–	2 478	2 478	5 450
Members' remuneration (Parliament)	481 006	–	–	–	–	–	–	481 006
Debt service costs (National Treasury)	114 900 523	–	–	–	–	(415 491)	(415 491)	114 485 032
Provincial equitable share (National Treasury)	362 468 075	–	–	–	–	–	–	362 468 075
General fuel levy sharing with metropolitan municipalities (National Treasury)	10 190 162	–	–	–	–	–	–	10 190 162
National Revenue Fund payments (National Treasury)	–	–	–	–	–	310 857	310 857	310 857
Skills levy and sector education and training authorities (Higher Education and Training)	13 440 000	–	–	–	–	(240 000)	(240 000)	13 200 000
Judges' and magistrates' salaries (Justice and Constitutional Development)	2 730 266	–	–	–	–	–	–	2 730 266
<b>Total</b>	<b>1 139 562 399</b>	<b>157 724</b>	<b>789 618</b>	<b>–</b>	<b>(1 002 937)</b>	<b>982 971</b>	<b>927 376</b>	<b>1 140 489 775</b>
Unallocated reserves	3 000 000	–	–	–	–	(3 000 000)	(3 000 000)	–
National government projected underspending	–	–	–	–	–	(3 650 000)	(3 650 000)	(3 650 000)
Local government repayment to the National Revenue Fund	–	–	–	–	–	(500 000)	(500 000)	(500 000)
<b>Total</b>	<b>1 142 562 399</b>	<b>157 724</b>	<b>789 618</b>	<b>–</b>	<b>(1 002 937)</b>	<b>(6 167 029)</b>	<b>(6 222 624)</b>	<b>1 136 339 775</b>

**Table 2.1: Adjusted appropriations per economic classification**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>									
Compensation of employees	123 536 800	–	159 480	420 054	(1 782)	–	13 162	590 914	124 127 714
Goods and services	60 484 105	14 658	251 342	(258 558)	(1)	–	658 300	665 741	61 149 846
Interest and rent on land	114 950 814	–	–	181	–	–	(415 491)	(415 310)	114 535 504
<b>Total current payments</b>	<b>298 971 719</b>	<b>14 658</b>	<b>410 822</b>	<b>161 677</b>	<b>(1 783)</b>	<b>–</b>	<b>255 971</b>	<b>841 345</b>	<b>299 813 064</b>
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	535 281 833	91 399	156 951	741 140	–	–	–	989 490	536 271 323
Departmental agencies and accounts	86 952 751	–	33 438	(119 954)	–	–	336 645	250 129	87 202 880
Higher education institutions	24 248 202	–	–	8 331	–	–	–	8 331	24 256 533
Foreign governments and international organisations	1 670 375	–	81 976	(25 027)	–	–	–	56 949	1 727 324
Public corporations and private enterprises	33 353 022	18 604	63 141	(106 334)	–	(561 087)	69 000	(516 676)	32 836 346
Non-profit institutions	5 407 877	–	–	85 679	–	–	–	85 679	5 493 556
Households	132 416 971	–	–	161 624	1 782	(328 850)	728	(164 716)	132 252 255
<b>Total transfers and subsidies</b>	<b>819 331 031</b>	<b>110 003</b>	<b>335 506</b>	<b>745 459</b>	<b>1 782</b>	<b>(889 937)</b>	<b>406 373</b>	<b>709 186</b>	<b>820 040 217</b>
<b>Payments for capital assets</b>									
Buildings and other fixed structures	14 043 988	18 563	35 600	(1 442 379)	(300)	(113 000)	–	(1 501 516)	12 542 472
Machinery and equipment	3 382 210	14 500	7 690	466 887	301	–	–	489 378	3 871 588
Specialised military assets	45 293	–	–	–	–	–	–	–	45 293
Biological and cultivated assets	2 628	–	–	4 520	–	–	–	4 520	7 148
Software and other intangible assets	215 021	–	–	(7 580)	–	–	9 770	2 190	217 211
<b>Total payments for capital assets</b>	<b>17 689 140</b>	<b>33 063</b>	<b>43 290</b>	<b>(978 552)</b>	<b>1</b>	<b>(113 000)</b>	<b>9 770</b>	<b>(1 005 428)</b>	<b>16 683 712</b>
<b>Total payments for financial assets</b>	<b>3 570 509</b>	<b>–</b>	<b>–</b>	<b>71 416</b>	<b>–</b>	<b>–</b>	<b>310 857</b>	<b>382 273</b>	<b>3 952 782</b>
<b>Total</b>	<b>1 139 562 399</b>	<b>157 724</b>	<b>789 618</b>	<b>–</b>	<b>–</b>	<b>(1 002 937)</b>	<b>982 971</b>	<b>927 376</b>	<b>1 140 489 775</b>
Unallocated reserves	3 000 000	–	–	–	–	–	(3 000 000)	(3 000 000)	–
National government projected underspending	–	–	–	–	–	–	(3 650 000)	(3 650 000)	(3 650 000)
Local government repayment to the National Revenue Fund	–	–	–	–	–	–	(500 000)	(500 000)	(500 000)
<b>Total</b>	<b>1 142 562 399</b>	<b>157 724</b>	<b>789 618</b>	<b>–</b>	<b>–</b>	<b>(1 002 937)</b>	<b>(6 167 029)</b>	<b>(6 222 624)</b>	<b>1 136 339 775</b>

**Table 3: Roll-overs**

<b>Vote and description of expenditure</b>	<b>R thousand</b>
<b>3 Cooperative Governance and Traditional Affairs</b> R80.214 million for the municipal infrastructure grant for projects with financial commitments	<b>80 214</b>
<b>15 Basic Education</b> R9.727 million for learner teacher support material, first aid kits and scales for schools	<b>9 727</b>
<b>19 Social Development</b> R10.5 million for the setting up of provincial food distribution centres	<b>10 500</b>
<b>29 Energy</b> R8.904 million for the integrated national electrification programme for non-grid electrification service providers to provide electrification connection to households; R4.970 million for a study on the energy footprint and energy savings potential in heavy industry; and R5.027 million for a fuel sampling and testing project	<b>18 901</b>
<b>34 Science and Technology</b> R9.7 million for the building of the Cofimvaba Science Centre	<b>9 700</b>
<b>42 Water and Sanitation</b> R4 million for the upgrading of data storage infrastructure; R18.563 million for the regional bulk infrastructure indirect grant for projects with financial commitments; R1.458 million for the municipal water infrastructure grant for projects with financial commitments; and R4.661 million for scientific and technical support in respect of drinking water quality, waste water and water use efficiency	<b>28 682</b>
<b>Total</b>	<b>157 724</b>

**Table 4: Unforeseeable and unavoidable expenditure**

<b>Vote and description of expenditure</b>	<b>R thousand</b>
<b>3 Cooperative Governance and Traditional Affairs</b> R156.951 million for the repair of infrastructure damaged by disasters; and R4 million for the establishment of the Traditional Affairs deputy ministry	<b>160 951</b>
<b>5 International Relations and Cooperation</b> R350 million for the impact of the depreciation of the Rand on foreign currency denominated expenditure	<b>350 000</b>
<b>9 Government Communication and Information System</b> R12 million for the establishment of the Communications ministry and deputy ministry	<b>12 000</b>
<b>11 Public Enterprises</b> R63.141 million for the ninth claim submitted for damages and losses in terms of the indemnity provided to Denel Aerostructures by government in respect of the A400M military aircraft contracts	<b>63 141</b>
<b>16 Health</b> R32.595 million for the introduction of Ebola control and prevention measures in South Africa; including the deployment of mobile laboratories, experts, training and technical support to Ebola affected countries	<b>32 595</b>
<b>18 Labour</b> R4 million for the establishment of the Labour deputy ministry; and R15 million for the Compensation Fund in respect of the administration of public servant occupational diseases and on-duty injury claims	<b>19 000</b>
<b>27 Communications</b> R23.230 million for the Department of Communications for the satellite connectivity, broadcast services and telecommunications network solutions for the funeral of the late President Nelson Mandela	<b>23 230</b>
<b>30 Environmental Affairs</b> R12 million for the establishment of the Environmental Affairs ministry and deputy ministry	<b>12 000</b>
<b>32 Mineral Resources</b> R4.250 million for the relocation of the Gauteng regional office due to fire damage to the office building	<b>4 250</b>
<b>36 Trade and Industry</b> R33.7 million for the establishment of the Department of Small Business Development	<b>33 700</b>
<b>37 Transport</b> R44.151 million for expenditure incurred for the funeral of the late President Nelson Mandela	<b>44 151</b>
<b>42 Water and Sanitation</b> R34.6 million for emergency national government interventions, of which R19.6 million is for the Lekwa-Taemane local municipality in respect of the operations and maintenance of the waste water treatment and bulk water treatment plants, and R15 million is for Madidi and Giyani in respect of borehole augmentation projects	<b>34 600</b>
<b>Total</b>	<b>789 618</b>

**Table 5: Declared unspent funds and projected underspending**

<b>Vote and description of expenditure</b>	<b>R thousand</b>
<b>10 National Treasury</b> R561.087 million from Employment Creation Facilitation	561 087
<b>16 Health</b> R113 million from the national health grant: indirect grant for health facility revitalisation	113 000
<b>19 Social Development</b> R250 million in respect of a decrease in social grant payment estimates	250 000
<b>35 Tourism</b> R78.850 million from the tourism incentive programme	78 850
<b>Total declared unspent funds</b>	<b>1 002 937</b>
<b>National government projected underspending</b>	<b>3 650 000</b>
<b>Local government repayment to the National Revenue Fund</b>	<b>500 000</b>
<b>Total</b>	<b>5 152 937</b>

**Table 6: Appropriation of expenditure earmarked in the 2014 Budget speech for future allocation**

<b>Vote and description of expenditure</b>	<b>R thousand</b>
<b>27 Communications</b> R620 million for digital broadcast migration	620 000
<b>Total</b>	<b>620 000</b>

**Table 7: Self-financing expenditure**

<b>Vote and description of expenditure</b>	<b>R thousand</b>
<b>4 Home Affairs</b> Expenditure incurred to issue official documentation, which is defrayed by revenue generated from the issuing of the documents	600 000
<b>16 Health</b> Expenditure incurred for the establishment of the South African Health Products Regulatory Authority, which is funded from revenue collected by the Medicines Control Council	25 500
<b>21 Correctional Services</b> Expenditure for offender gratuities, which is funded from revenue generated by hiring out offender labour	728
<b>22 Defence and Military Veterans</b> Expenditure for defence activities, which is funded from selling equipment and spares procured through the special defence account	25 645
<b>29 Energy</b> Expenditure incurred for skills development and training, which is defrayed by revenue received from the Energy and Water Sector Education and Training Authority and the Chemical Industries Sector Education and Training Authority for the provision of learnership programmes and special development projects	3 254
<b>36 Trade and Industry</b> Unitary payment in respect of the public private partnership for shared campus accommodation, which is funded from unitary part-payments received from public entities	50 000
<b>Total</b>	<b>705 127</b>

**Table 8: Expenditure outcome for 2013/14 and actual expenditure for 2014/15**

Vote number and title	2013/14					2014/15		
	Audited outcome					Actual expenditure		
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand								
1 The Presidency	620 773	266 203	42.9	575 616	92.7	652 170	287 982	44.2
2 Parliament	1 419 359	694 036	48.9	1 535 485	108.2	1 508 170	670 558	44.5
3 Cooperative Governance and Traditional Affairs	58 458 907	22 218 246	38.0	56 401 572	96.5	63 453 885	23 434 460	36.9
4 Home Affairs	6 994 717	3 096 288	44.3	6 992 552	100.0	7 223 702	3 614 384	50.0
5 International Relations and Cooperation	5 754 646	2 740 992	47.6	5 871 296	102.0	6 104 324	2 716 038	44.5
6 Performance Monitoring and Evaluation	–	–	0.0	–	0.0	–	–	0.0
7 Public Works	6 175 261	2 661 744	43.1	6 022 654	97.5	6 121 320	3 013 842	49.2
8 Women, Children and People with Disabilities	–	–	0.0	–	0.0	–	–	0.0
9 Government Communication and Information System	437 217	229 918	52.6	440 913	100.8	425 069	208 929	49.2
10 National Treasury	25 232 266	12 848 627	50.9	25 107 057	99.5	26 703 923	11 404 823	42.7
11 Public Enterprises	294 139	85 207	29.0	272 468	92.6	322 927	102 731	31.8
12 Public Service and Administration	829 731	382 495	46.1	809 103	97.5	875 074	399 888	45.7
13 Statistics South Africa	1 741 646	833 837	47.9	1 728 447	99.2	2 242 514	871 979	38.9
14 Arts and Culture	2 914 777	1 351 807	46.4	2 755 220	94.5	3 524 748	1 551 325	44.0
15 Basic Education	17 619 255	8 548 760	48.5	17 011 094	96.5	19 689 873	10 768 229	54.7
16 Health	30 528 181	14 867 009	48.7	29 825 097	97.7	33 900 570	16 212 235	47.8
17 Higher Education and Training	34 333 900	24 235 645	70.6	34 331 969	100.0	36 866 681	27 373 672	74.3
18 Labour	2 445 247	1 095 439	44.8	2 371 444	97.0	2 546 292	1 202 189	47.2
19 Social Development	118 538 683	60 270 738	50.8	117 109 251	98.8	128 593 644	63 305 661	49.2
20 Sport and Recreation South Africa	1 073 485	467 866	43.6	1 073 029	100.0	970 404	412 399	42.5
21 Correctional Services	18 748 493	8 830 375	47.1	18 700 011	99.7	19 721 839	9 291 266	47.1
22 Defence and Military Veterans	40 658 184	18 430 609	45.3	40 447 521	99.5	42 856 879	18 712 682	43.7
23 Independent Police Investigative Directorate	216 991	84 258	38.8	193 141	89.0	234 719	86 279	36.8
24 Justice and Constitutional Development	14 206 478	6 358 212	44.8	13 730 662	96.7	15 161 871	6 602 480	43.5
25 Police	68 791 426	32 058 463	46.6	68 791 398	100.0	72 507 243	34 319 828	47.3
26 Agriculture, Forestry and Fisheries	6 182 282	2 901 500	46.9	6 111 313	98.9	6 692 383	3 440 767	51.4
27 Communications	2 372 117	1 007 944	42.5	2 362 786	99.6	2 236 657	872 030	39.0
28 Economic Development	771 466	376 292	48.8	771 395	100.0	696 860	318 493	45.7
29 Energy	6 503 244	2 838 187	43.6	6 477 063	99.6	7 437 794	3 513 937	47.2
30 Environmental Affairs	5 206 842	2 248 557	43.2	5 200 307	99.9	5 680 386	2 409 055	42.4
31 Human Settlements	27 975 428	9 026 407	32.3	27 443 314	98.1	29 417 605	11 422 779	38.8
32 Mineral Resources	1 393 849	745 347	53.5	1 387 219	99.5	1 475 541	832 282	56.4
33 Rural Development and Land Reform	9 459 740	5 092 024	53.8	9 454 056	99.9	9 455 305	4 459 159	47.2
34 Science and Technology	6 198 155	4 036 637	65.1	6 169 489	99.5	6 479 890	3 608 516	55.7
35 Tourism	1 520 574	689 237	45.3	1 512 667	99.5	1 583 260	994 334	62.8
36 Trade and Industry	9 515 580	4 271 090	44.9	9 380 296	98.6	9 918 729	4 001 072	40.3
37 Transport	42 401 667	18 697 117	44.1	43 036 844	101.5	48 770 669	25 938 423	53.2
38 Water Affairs	–	–	0.0	–	0.0	–	–	0.0
39 Planning, Monitoring and Evaluation	664 853	312 411	47.0	646 594	97.3	733 842	363 426	49.5
42 Water and Sanitation	10 655 582	3 850 561	36.1	10 505 916	98.6	13 647 401	3 565 645	26.1
43 Women	171 229	80 694	47.1	163 147	95.3	184 764	77 222	41.8
<b>Total</b>	<b>589 026 370</b>	<b>278 830 779</b>	<b>47.3</b>	<b>582 719 406</b>	<b>98.9</b>	<b>636 618 927</b>	<b>302 380 999</b>	<b>47.5</b>



Table 8: Expenditure outcome for 2013/14 and actual expenditure for 2014/15 (continued)

	2013/14				2014/15			
	Audited outcome				Actual expenditure			
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
Plus:								
<b>Total direct charges against the National Revenue Fund</b>	<b>464 566 983</b>	<b>228 128 296</b>	<b>49.1</b>	<b>465 044 443</b>	<b>100.1</b>	<b>503 870 848</b>	<b>249 322 434</b>	<b>49.5</b>
President and Deputy President salaries (The Presidency)	2 804	1 311	46.8	2 623	93.5	5 450	2 176	39.9
Members' remuneration (Parliament)	453 779	188 288	41.5	401 856	88.6	481 006	193 132	40.2
Debt service costs (National Treasury)	100 484 500	49 185 686	48.9	101 184 690	100.7	114 485 032	56 562 896	49.4
Provincial equitable share (National Treasury)	338 936 817	168 786 221	49.8	338 936 817	100.0	362 468 075	181 234 048	50.0
General fuel levy sharing with metropolitan municipalities (National Treasury)	9 613 360	3 204 453	33.3	9 613 360	100.0	10 190 162	3 396 721	33.3
National Revenue Fund payments (National Treasury)	200 000	–	0.0	516 274	258.1	310 857	310 857	100.0
Skills levy and sector education and training authorities (Higher Education and Training)	12 300 000	5 616 086	45.7	12 090 186	98.3	13 200 000	6 415 632	48.6
Judges' and magistrates' salaries (Justice and Constitutional Development)	2 575 723	1 146 251	44.5	2 298 637	89.2	2 730 266	1 206 972	44.2
<b>Total</b>	<b>1 053 593 353</b>	<b>506 959 075</b>	<b>48.1</b>	<b>1 047 763 849</b>	<b>99.4</b>	<b>1 140 489 775</b>	<b>551 703 433</b>	<b>48.4</b>
<b>Economic classification</b>								
<b>Current payments</b>								
Compensation of employees	116 179 734	56 592 159	48.7	114 818 618	98.8	124 127 714	61 206 053	49.3
Goods and services	60 042 206	23 170 220	38.6	58 259 905	97.0	61 149 846	24 002 468	39.3
Interest and rent on land	100 582 378	49 194 872	48.9	101 242 134	100.7	114 535 504	56 568 238	49.4
<b>Total current payments</b>	<b>276 804 318</b>	<b>128 957 251</b>	<b>46.6</b>	<b>274 320 657</b>	<b>99.1</b>	<b>299 813 064</b>	<b>141 776 759</b>	<b>47.3</b>
<b>Transfers and subsidies</b>								
Provinces and municipalities	500 639 321	235 845 595	47.1	498 550 265	99.6	536 271 323	255 499 923	47.6
Departmental agencies and Accounts	80 735 813	42 497 765	52.6	79 689 016	98.7	87 202 880	44 192 334	50.7
Higher education institutions	22 570 093	16 304 290	72.2	22 596 300	100.1	24 256 533	19 173 494	79.0
Foreign governments and international organisations	1 928 508	325 475	16.9	1 931 133	100.1	1 727 324	343 844	19.9
Public corporations and private enterprises	27 160 608	12 110 708	44.6	28 173 301	103.7	32 836 346	18 064 104	55.0
Non-profit institutions	4 817 597	2 252 514	46.8	4 725 395	98.1	5 493 556	2 510 862	45.7
Households	121 057 188	61 260 803	50.6	119 727 533	98.9	132 252 255	64 138 345	48.5
<b>Total transfers and subsidies</b>	<b>758 909 128</b>	<b>370 597 150</b>	<b>48.8</b>	<b>755 392 943</b>	<b>99.5</b>	<b>820 040 217</b>	<b>403 922 906</b>	<b>49.3</b>
<b>Payments for capital assets</b>								
Buildings and other fixed structures	10 134 059	2 845 055	28.1	8 789 208	86.7	12 542 472	3 432 321	27.4
Machinery and equipment	3 846 036	1 006 306	26.2	4 903 503	127.5	3 871 588	1 134 940	29.3
Heritage assets	–	–	0.0	39	0.0	–	–	0.0
Specialised military assets	40 478	7 470	18.5	21 964	54.3	45 293	6 337	14.0
Biological and cultivated assets	2 127	2 657	124.9	4 766	224.1	7 148	968	13.5
Land and subsoil assets	–	27 789	0.0	47 676	0.0	–	32 748	0.0
Software and other intangible assets	263 732	69 135	26.2	377 780	143.2	217 211	17 849	8.2
<b>Total payments for capital assets</b>	<b>14 286 432</b>	<b>3 958 412</b>	<b>27.7</b>	<b>14 144 936</b>	<b>99.0</b>	<b>16 683 712</b>	<b>4 625 163</b>	<b>27.7</b>
<b>Total payments for financial assets</b>	<b>3 593 475</b>	<b>3 446 262</b>	<b>95.9</b>	<b>3 905 313</b>	<b>108.7</b>	<b>3 952 782</b>	<b>1 378 605</b>	<b>34.9</b>
<b>Total</b>	<b>1 053 593 353</b>	<b>506 959 075</b>	<b>48.1</b>	<b>1 047 763 849</b>	<b>99.4</b>	<b>1 140 489 775</b>	<b>551 703 433</b>	<b>48.4</b>

**Table 9: Departmental receipts**

Vote number and title		2013/14				2014/15				
		Audited outcome				Actual receipts				
R thousand		Adjusted estimate	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 14 - Sep 14 % of adjusted estimate	Apr 14 - Sep 14 % of adjusted estimate		
1	The Presidency	781	554	70.9	897	114.9	901	1 161	549	47.3
2	Parliament	33 625	16 265	48.4	52 371	155.8	34 025	39 013	18 043	46.2
3	Cooperative Governance and Traditional Affairs	871	112	12.9	1 220	140.1	918	988	393	39.8
4	Home Affairs	588 034	292 781	49.8	741 605	126.1	651 365	365 461	319 410	87.4
5	International Relations and Cooperation	25 409	12 430	48.9	36 569	143.9	26 488	46 189	31 977	69.2
6	Performance Monitoring and Evaluation	-	-	0.0	-	0.0	-	-	-	0.0
7	Public Works	12 388	6 168	49.8	55 470	447.8	13 238	13 238	8 033	60.7
8	Women, Children and People with Disabilities	-	-	0.0	-	0.0	-	-	-	0.0
9	Government Communication and Information System	904	491	54.3	874	96.7	792	803	439	54.7
10	National Treasury	14 407 336	10 113 079	70.2	15 351 075	106.6	6 722 467	12 418 637	8 362 076	67.3
11	Public Enterprises	174	106	60.9	373	214.4	102	202	37	18.3
12	Public Service and Administration	1 151	888	77.2	1 293	112.3	831	1 202	784	65.2
13	Statistics South Africa	2 445	811	33.2	1 414	57.8	2 581	4 873	4 035	82.8
14	Arts and Culture	1 769	384	21.7	544	30.8	2 550	667	402	60.3
15	Basic Education	11 340	7 293	64.3	27 227	240.1	8 553	70 000	47 984	68.5
16	Health	23 476	3 257	13.9	71 606	305.0	32 760	69 819	39 419	56.5
17	Higher Education and Training	10 915	5 790	53.0	11 880	108.8	9 425	10 323	6 040	58.5
18	Labour	15 158	6 178	40.8	22 601	149.1	10 092	10 092	5 363	53.1
19	Social Development	7 964	540	6.8	88 996	1 117.5	17 991	18 000	363	2.0
20	Sport and Recreation South Africa	224	35	15.6	210	93.8	331	331	42	12.7
21	Correctional Services	131 087	57 238	43.7	117 129	89.4	135 738	126 303	61 302	48.5
22	Defence and Military Veterans	798 930	362 967	45.4	853 475	106.8	814 908	814 908	270 408	33.2
23	Independent Police Investigative Directorate	253	194	76.7	321	126.9	189	244	161	66.0
24	Justice and Constitutional Development	408 710	182 790	44.7	416 149	101.8	472 745	300 909	160 888	53.5
25	Police	320 895	192 992	60.1	386 341	120.4	280 388	313 884	178 580	56.9
26	Agriculture, Forestry and Fisheries	383 835	314 299	81.9	809 584	210.9	159 918	186 116	96 013	51.6
27	Communications	3 044 645	1 563 931	51.4	1 711 942	56.2	2 993 946	1 746 809	893 707	51.2
28	Economic Development	1 978 443	695 434	35.2	1 097 542	55.5	826 800	900 221	572 310	63.6
29	Energy	2 912	1 718	59.0	43 472	1 492.9	2 647	3 255	1 880	57.8
30	Environmental Affairs	19 126	12 314	64.4	29 572	154.6	23 727	29 832	18 047	60.5
31	Human Settlements	6 584	6 278	95.4	763	11.6	630	1 141	618	54.2
32	Mineral Resources	41 648	20 821	50.0	109 034	261.8	54 679	45 113	23 372	51.8
33	Rural Development and Land Reform	78 175	43 438	55.6	104 622	133.8	42 058	85 077	44 009	51.7
34	Science and Technology	1 792	870	48.5	1 658	92.5	116	116	41	35.3
35	Tourism	4 068	3 579	88.0	4 209	103.5	1 687	3 486	1 936	55.5
36	Trade and Industry	89 023	13 576	15.2	71 741	80.6	96 631	85 015	40 334	47.4
37	Transport	327 154	76 722	23.5	746 967	228.3	268 766	233 479	224 939	96.3
38	Water Affairs	-	-	0.0	-	0.0	-	-	-	0.0
39	Planning, Monitoring and Evaluation	64	40	62.5	69	107.8	64	92	40	43.5
42	Water and Sanitation	24 678	10 325	41.8	65 950	267.2	25 557	57 020	39 608	69.5
43	Women	14	7	50.0	17	121.4	13	30	15	50.0
<b>Subtotal departmental receipts as per Adjusted Estimates of National Expenditure</b>		<b>22 806 000</b>	<b>14 026 695</b>	<b>61.5</b>	<b>23 036 782</b>	<b>101.0</b>	<b>13 736 617</b>	<b>18 004 049</b>	<b>11 473 597</b>	<b>63.7</b>
Less: Parliament (retained departmental receipts)		33 625	16 265	48.4	52 371	155.8	34 025	39 013	18 043	46.2
Plus: South African Revenue Services		6 188 634	3 035 906	49.1	6 439 251	104.0	7 166 790	6 791 578	3 098 307	45.6
<b>Total departmental receipts</b>		<b>28 961 009</b>	<b>17 046 336</b>	<b>58.9</b>	<b>29 423 662</b>	<b>101.6</b>	<b>20 869 382</b>	<b>24 756 614</b>	<b>14 553 861</b>	<b>58.8</b>

Table 9: Departmental receipts (continued)

	2013/14					2014/15			
	Adjusted estimate	Audited outcome			Actual receipts				
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>									
Tax receipts	5 500	1 648	30.0	4 228	76.9	5 615	5 360	1 248	23.3
Sales of goods and services other than capital assets	3 126 473	1 477 707	47.3	1 691 060	54.1	2 724 497	1 256 737	781 633	62.2
Transfers received	172 366	87 982	51.0	459 839	266.8	174 635	175 607	92 809	52.9
Fines, penalties and forfeits	2 320 834	862 457	37.2	1 466 193	63.2	1 257 552	1 121 810	716 520	63.9
Interest, dividends and rent on land	4 109 823	2 183 980	53.1	4 660 736	113.4	4 934 020	5 342 396	2 585 067	48.4
Sales of capital assets	64 037	30 385	47.4	37 110	58.0	66 905	75 183	25 147	33.4
Financial transactions in assets and liabilities	13 006 967	9 382 536	72.1	3 054 072	23.5	1 723 393	2 054 956	1 491 806	72.6
<b>Subtotal departmental receipts as per Adjusted Estimates of National Expenditure</b>	<b>22 806 000</b>	<b>14 026 695</b>	<b>61.5</b>	<b>23 036 782</b>	<b>101.0</b>	<b>13 736 617</b>	<b>18 004 049</b>	<b>11 473 597</b>	<b>63.7</b>

## 2014 national macro organisation of the state

After the national elections, the President's appointment of ministers and deputy ministers in May 2014 necessitated a reorganisation of national government departments, including the establishment of new departments. To ensure continuity, departments that existed before the President's May 2014 announcement will continue to exist - until the affected departmental functions and their associated assets and liabilities have been appropriately ring-fenced and shifted. Functions may be shifted in their entirety or in parts. New functions will also be defined.

As reflected in the Appropriation Act (2014), the votes for new departments do not currently have allocated budgets. New departments will be allocated a budget when functions have been fully defined and formally shifted to them. Function shifts must be approved by the Department of Public Service and Administration. Thereafter, in terms of the PFMA<sup>10</sup>, funds will be transferred to new departments from the budget votes of existing departments.

The following functions have already shifted, effective from 1 October 2014:

- the water affairs functions from the Department of Water Affairs to the new Department of Water and Sanitation
- the sanitation function from the Department of Human Settlements to the new Department of Water and Sanitation
- the functions related to children and people with disabilities from the Department of Women, Children and People with Disabilities to the Department of Social Development
- the function related to women from the Department of Women, Children and People with Disabilities to the new Department of Women
- the performance, monitoring and evaluation functions from the Department of Performance Monitoring and Evaluation to the new Department of Planning, Monitoring and Evaluation
- the National Planning Commission, as well as the National Youth Development Agency and the youth desk functions from The Presidency to the new Department of Planning, Monitoring and Evaluation

In this publication these functions shifts are shown in the tables in the relevant chapters, under the heading 'Adjusted Estimates of National Expenditure 2014'.

Pending the shifts still to be made, funding for the operational activities of the following new departments is allocated against the vote of the department to which these new departments are temporarily aligned. Information pertaining to new departments that do not yet have their own budget allocations can be obtained by referencing the chapter of the department listed alongside it.

Newly created department	Existing department accommodating the new department
Small Business Development	Trade and Industry
Telecommunications and Postal Services	Communications
Communications	Government Communication and Information System

Unforeseeable and unavoidable expenditure of approximately R65.7 million is allocated for operational activities in respect of the reorganisation of national government departments, as follows:

- R4 million to the Department of Traditional Affairs for the establishment of the Traditional Affairs deputy ministry
- R12 million to the Department of Government Communication and Information System for the establishment of the Communications ministry and deputy ministry
- R4 million to the Department of Labour for the establishment of the Labour deputy ministry
- R12 million to the Department of Environmental Affairs for the establishment of the Environmental Affairs ministry and deputy ministry
- R33.7 million to the Department of Trade and Industry for the establishment of the Department of Small Business Development

<sup>10</sup> Section 33.

# Information contained in each chapter

The Adjusted Estimates of National Expenditure provides detailed information for each vote in the Adjustments Appropriation Bill, following the layout shown below.

## Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>				
Current payments				
Transfers and subsidies				
Payments for capital assets				
Payments for financial assets				
<b>Direct charge against the National Revenue Fund</b>				
Executive authority				
Accounting officer				
Website address				

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

<p><b>Main appropriation</b> shows the total amount voted for the current financial year in the Appropriation Act (2014), in terms of the main Budget.</p> <p><b>Adjusted appropriation</b> shows the adjusted total amount to be voted for the current financial year, which is the sum of the main appropriation and all the adjustments.</p> <p><b>Decrease and Increase</b> show the amount of the adjustment itself.</p> <p><b>Current payments</b> are payments made by a department for its operational requirements.</p> <p><b>Transfers and subsidies</b> are payments made by a department for which the department does not directly receive anything in return.</p> <p><b>Payments for capital assets</b> are payments made by a department for an asset that can be used for more than one year and from which future economic benefits or service potential are expected to flow.</p> <p><b>Payments for financial assets</b> are mainly payments made by departments as loans to public corporations or as equity investments in public corporations. The reason for expensing the payments, rather than treating them as financing, is that the purpose of the transaction is not profit oriented. This column is only shown in votes where such payments have been budgeted for. Payments for theft and losses are included in this category; however, these payments are not budgeted for and will thus only appear in the historical information.</p> <p><b>Direct charges against the National Revenue Fund</b> are amounts spent in terms of statutes that therefore do not require parliamentary approval, for example, state debt costs. Thus these amounts are not contained in the Adjustments Appropriation Bill. They are not budgeted for under any programme on a particular vote.</p> <p>The last three rows of the table provide accountability information: the vote's executive authority, accounting officer and website address.</p>
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## Aim

*The aim of the vote captures a department's mandate, objectives or administrative functions, as stated in the Adjustments Appropriation Bill.*

## 2014 national macro organisation of the state

If applicable, the impact on the vote of the President's May 2014 announcement regarding the reorganisation or establishment of national government departments is briefly discussed.

## Changes to programme purposes and objectives

To maintain the link between a department's strategic plan, annual performance plan, main appropriation and the adjusted budget, any changes to programme purposes and objectives are noted.

## Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15

Managing, monitoring and measuring performance are integral to improving service delivery. The table shows what a department has achieved in the first six months of the current financial year, compared to what it projected for the year<sup>11</sup>.

An **indicator** is a measure that tracks a department's progress towards its goal. An indicator may measure inputs, activities, outputs and outcomes, or in certain instances, explanatory information relating to the internal or external environment.

The **programme** column links the indicator to the vote programme associated with it.

The **outcome** column links the indicator to one or more of the government's outcomes to which it contributes.

**Projected for 2014/15 as published in the 2014 ENE** shows what the department projected it would achieve for the current financial year.

**Achieved in the first six months of 2014/15** shows what the department has actually achieved in the first half of the current financial year.

**Changed target for 2014/15** shows any change to the target originally published in the ENE. Estimates will typically change in cases where the funding provided for a particular programme has been amended in the Adjustments Appropriation Bill.

### Changes to indicators and targets published in the 2014 ENE

Any significant deviations from any specific performance targets for the current financial year are briefly explained below the table, as well as any changes to the indicators themselves. Changes to indicators and/or targets are typically the result of significant policy or mandate changes, or budget programme structure changes; they can also be caused by the adjustments to a vote's estimates of expenditure.

### Mid-year progress

A brief discussion is provided on the department's mid-year progress towards achieving the targets that were set. The focus of the discussion is on indicators for which mid-year performance figures suggest that either an annual target may not be met, or that it may be exceeded.

<sup>11</sup> This table is not intended to provide a comprehensive analysis of a department's performance as it shows only a selected subset of a department's indicators, as published in the ENE. It should, however, contain the key performance indicators that form part of departmental performance plans.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Programme name									
<b>Subtotal</b>									
<b>Direct charge against the National Revenue Fund</b>									
Item									
<b>Total</b>									
<b>Economic classification</b>									
<b>Current payments</b>									
Economic classification item									
<b>Transfers and subsidies</b>									
Economic classification item									
<b>Payments for capital assets</b>									
Economic classification item									
<b>Payments for financial assets</b>									
<b>Total</b>									

In this table, a vote's adjusted estimates of expenditure are set out by the type of expenditure adjustment, and by vote programme and by economic classification (current payments, transfers and subsidies, payments for capital assets, and payments for financial assets).

**Main appropriation** shows the total amount voted for the current financial year in the Appropriation Act (2014), in terms of the main Budget process.

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

**Roll-overs** show unspent funds from the preceding financial year reallocated to the current financial year to finalise activities close to completion.

**Unforeseeable/unavoidable** shows spending that could not be anticipated at the time of finalising the main Budget.

### **Virements and shifts:**

- **Virements** are the utilisation of unspent funds from amounts appropriated under one main division (programme) towards the defrayment of excess expenditure under another main division (programme) within the same vote.
- **Shifts** are the utilisation of unspent funds towards the defrayment of increased expenditure within a main division (programme) of a vote between different segments (subprogramme and economic classification) of the main division (programme). Shifts may include the reallocation of funds incorrectly allocated in the 2014 ENE.

**Function shifts** are shifts of funds between main divisions (programmes) within a vote, or to another vote or institution, in terms of legislation and/or following the reassignment of responsibility for the function. Funds shifted to follow functions shifts in terms of the 2014 national macro organisation of the state project are shown in this column.

**Declared unspent funds** are amounts that departments explicitly indicate that they will no longer require in the current financial year. The main appropriation of the vote is accordingly reduced by such amounts.

**Other adjustments** include the appropriation of expenditure earmarked in the 2014 Budget speech for future allocation and self-financing expenditure.

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

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

Similar tables are then shown for each programme and for direct charges against the National Revenue Fund for which adjustments have been made.

## Details of adjustments to the Estimates of National Expenditure 2014

This section gives explanations by programme for:

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

### Virements and shifts

#### Programmes

1. Programme name
2. Programme name
3. Programme name

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme number			Programme number		
Economic classification item			Economic classification item		
Shifts within the programme as a percentage of the programme budget		per cent			
Virements to other programmes as a percentage of the programme budget		per cent			
Programme number			Programme number		
Economic classification item			Economic classification item		
Shifts within the programme as a percentage of the programme budget		per cent			
Virements to other programmes as a percentage of the programme budget		per cent			
<b>Total</b>					

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

**FROM:** specifies where funds have been reduced, by programme and by economic classification item. Virements to other programmes, as well as shifts within each programme, are shown as a percentage of the programme budget.

**Motivation** provides the reasons for funding reductions and on the other hand, what the funds will be used for.

**TO:** specifies what funds will be used for, by programme and by economic classification item. These funds which increase expenditure offset the funding reductions.

**R thousand** shows the monetary amounts.

Certain types of virements and shifts require either legislative approval or approval from National Treasury before they can be effected. All virements and shifts which have National Treasury's approval or which can only be approved by the legislature are footnoted in this table.



In terms of the PFMA<sup>12</sup>, the Treasury Regulations<sup>12</sup>, and the Appropriation Act (2014)<sup>12</sup>, the following virements and shifts require approval from National Treasury:

- Virements and shifts which will increase the funds appropriated for compensation of employees
- Virements and shifts which will increase the funds appropriated for transfers and subsidies to other institutions
- Virements and shifts which introduce a new transfer to other institutions
- Virements and shifts which utilise funds that were earmarked for a specific purpose
- Virements and shifts which utilise funds appropriated for payments for capital assets for the payment of current assets
- Virements and shifts which utilise unspent funds appropriated as transfers and subsidies for payment to another institution.

The following virements and shifts can only be approved by the legislature:<sup>12</sup>

- Virements and shifts which utilise unspent funds appropriated for items specifically and exclusively earmarked in an appropriation act
- Virements and shifts which utilise unspent funds of more than 8 per cent of the amount appropriated for that programme. (Shifts between different segments within a programme do not affect the overall amount appropriated for a programme; only virements away from a programme effectively reduce the programme budget.)

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

- Function shifts
- Declared unspent funds
- Other adjustments include the appropriation of expenditure earmarked in the 2014 Budget speech for future allocation and self-financing expenditure
- Gifts, donations and sponsorships that are valued at more than R100 000 per transaction
- Direct charges against the National Revenue Fund (these are not linked to a programme on a vote).

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14 % of adjusted appropriation	Apr 14 - Sep 14 adjusted appropriation	
R thousand									
1. Programme name									
<b>Subtotal</b>									
<b>Direct charge against the National Revenue Fund</b>									
Item									
<b>Total</b>									
<b>Economic classification</b>									
<b>Current payments</b>									
Economic classification item									
<b>Transfers and subsidies</b>									
Economic classification item									
<b>Payments for capital assets</b>									
Economic classification item									
<b>Payments for financial assets</b>									
<b>Total</b>									

<sup>12</sup> Section 43 of the PFMA read in conjunction with Treasury Regulations 6.3 and section 5 of the Appropriation Act (2014).

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

**2013/14 Audited outcome** shows the outcome for the previous financial year.

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

**Apr 13 to Sep 13** shows the expenditure outcome for the first six months of the previous financial year.

**Apr 13 to Sep 13 % of adjusted appropriation** shows the expenditure outcome for the first six months of the previous financial year as a percentage of the adjusted appropriation for that year.

**Apr 13 to Mar 14** shows the expenditure outcome for the whole of the previous financial year.

**Apr 13 to Mar 14 % of adjusted appropriation** shows the expenditure outcome for the whole of the previous financial year as a percentage of the adjusted appropriation for that year.

**2014/15 Actual expenditure** shows the preliminary actual expenditure for the current financial year.

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

**Adjusted appropriation / Total (%)** shows for the adjustments budget to be voted for the current financial year; what proportion the adjusted budget for that main division comprises of the total vote's adjusted budget as a percentage. The proportion that each economic classification forms of the total vote's adjusted budget is also shown.

**Apr 14 to Sep 14** shows the actual expenditure for the first six months of the current financial year.

**Apr 14 to Sep 14 % of adjusted appropriation** shows the actual expenditure for the first six months of the current financial year as a percentage of the adjusted appropriation for the year.

### Expenditure trends for the first half of 2014/15

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

Where functions have shifted between votes or new votes have been created subsequent to the publication of the 2013 Adjusted Estimates of National Expenditure, the information in this publication may not be strictly comparable with that published last year.

### Departmental receipts

	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Budget estimate	Actual receipts				
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14		Apr 13 - Mar 14 % of adjusted estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>										
Economic classification item										
Economic classification item										
<b>Total</b>										

This table shows the departmental receipts outcome for the last financial year, and the actual departmental receipts for the first six months of the current financial year.

**2013/14 Audited outcome** shows the departmental receipts outcome for the previous financial year.

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

**Apr 13 to Sep 13** shows the receipts outcome for the first six months of the previous financial year.

**Apr 13 to Sep 13 % of adjusted estimate** shows the receipts outcome for the first six months of the previous financial year as a percentage of the adjusted estimate for that year.

**Apr 13 to Mar 14** shows the receipts outcome for the whole of the previous financial year.

**Apr 13 to Mar 14 % of adjusted estimate** shows the receipts outcome for the whole of the previous financial year as a percentage of the adjusted estimate for that year.

**2014/15 Actual receipts** shows the preliminary receipts outcome for the current financial year.

**Budget estimate** shows the total amount of receipts anticipated for the current financial year in the main Budget.

**Adjusted estimate** shows the adjusted total amount of receipts anticipated in the adjustments budget for the current financial year.

**Adjusted receipts estimate / Total (%)** shows what proportion the adjusted receipt item comprises of the total adjusted estimate of vote receipts for the current financial year as a percentage.

**Apr 14 to Sep 14** shows the preliminary receipts outcome for the first six months of the current financial year.

**Apr 14 to Sep 14 % of adjusted estimate** shows the preliminary receipts outcome for the first six months of the current financial year as a percentage of the adjusted estimate for the year.

## Revenue trends for the first half of 2014/15

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

Where functions have shifted between votes or new votes have been created, subsequent to the publication of the 2013 Adjusted Estimates of National Expenditure, the information in this publication may not be strictly comparable with that published last year.

## Changes to transfers and subsidies, including conditional grants

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

		2014/15							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Programme name									
Economic sphere									
Current									
Economic classification item									
Programme name									
Economic sphere									
Capital									
Economic classification item									

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

		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Programme name									
Conditional grant name									

**Summary of changes to conditional grants: Local government**

		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Programme name									
Conditional grant name									

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

**Main appropriation** shows the total amount voted for the current financial year in the Appropriation Act (2014), in terms of the main Budget process.

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

**Roll-overs** show unspent funds from the preceding financial year reallocated to the current financial year to finalise activities close to completion.

**Unforeseeable/unavoidable** shows spending that could not be anticipated at the time of finalising the main Budget.

**Virements and shifts:**

- **Virements** are the utilisation of unspent funds from amounts appropriated under one main division (programme) towards the defrayment of increased expenditure under another main division (programme) within the same vote.
- **Shifts** are the utilisation of unspent funds towards the defrayment of increased expenditure within a main division (programme) of a vote between different segments (subprogramme and economic classification) of the main division (programme). Shifts may include the reallocation of funds incorrectly allocated in the 2014 ENE.

**Function shifts** are shifts of funds between main divisions (programmes) within a vote, or to another vote or institution, in terms of legislation and/or following the reassignment of responsibility for the function. Funds shifted to follow functions shifts in terms of the 2014 national macro organisation of the state project are shown in this column.

**Declared unspent funds** are amounts that departments explicitly indicate that they will no longer require in the current financial year. The main appropriation of the vote is accordingly reduced by such amounts.

**Other adjustments** include the appropriation of expenditure earmarked in the 2014 Budget speech for future allocation and self-financing expenditure.

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

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

# Vote 1

## The Presidency

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 177 848</b>	<b>652 170</b>	(525 678)	-
<i>of which:</i>				
Current payments	585 716	468 342	(117 374)	-
Transfers and subsidies	575 955	169 248	(406 707)	-
Payments for capital assets	16 177	14 580	(1 597)	-
<b>Direct charge against the National Revenue Fund</b>	<b>2 972</b>	<b>5 450</b>	-	<b>2 478</b>
Executive authority	Minister in the Presidency			
Accounting officer	Chief Operations Officer in the Presidency			
Website address	www.thepresidency.gov.za			

### Aim

*Facilitate a common programme towards the achievement of the electoral mandate and the enhanced integrity of the State through considered planning, coordination, oversight, mobilisation and support.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, certain functions of the department are shifting. The National Planning and National Youth Development Agency programme and the youth policy oversight unit from the Administration programme are transferred to the Department of Planning, Monitoring and Evaluation, with effect from the 1 October 2014. The International Marketing and Communication programme will move to the new Department of Communications, with effect from 1 April 2015.

Changes to indicators and targets published in the 2014 ENE

Performance targets that were published in the 2014 ENE for the Presidency relating to the function shifts in the national macro organisation of the state process, have been transferred to the Department of Planning, Monitoring and Evaluation.

### Adjusted Estimates of National Expenditure 2014

Programme	2014/15							
	Main appropriation	Adjustments appropriation					Other adjustments	Total adjustments appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds			
R thousand								
Administration	488 533	-	-	-	(4 049)	-	(4 049)	484 484
National Planning	113 392	-	-	-	(113 392)	-	(113 392)	-
National Youth Development Agency	408 237	-	-	-	(408 237)	-	(408 237)	-
International Marketing and Communication	167 686	-	-	-	-	-	-	167 686
<b>Total</b>	<b>1 177 848</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(525 678)</b>	<b>-</b>	<b>(525 678)</b>	<b>652 170</b>
<b>Direct charge against the National Revenue Fund</b>	<b>2 972</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 478</b>	<b>2 478</b>	<b>5 450</b>
Salary of the President	2 972	-	-	-	-	-	-	2 972
Salary of the Deputy President	-	-	-	-	-	2 478	2 478	2 478
<b>Total</b>	<b>1 180 820</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(525 678)</b>	<b>-</b>	<b>(523 200)</b>	<b>657 620</b>

2014 Adjusted Estimates of National Expenditure

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	<b>588 688</b>	-	-	(2 697)	(114 677)	-	2 478	(114 896)	473 792
Compensation of employees	334 615	-	-	(535)	(31 151)	-	2 478	(29 208)	305 407
Goods and services	254 073	-	-	(2 162)	(83 526)	-	-	(85 688)	168 385
<b>Transfers and subsidies</b>	<b>575 955</b>	-	-	<b>1 534</b>	<b>(408 241)</b>	-	-	<b>(406 707)</b>	<b>169 248</b>
Provinces and municipalities	4	-	-	4	(4)	-	-	-	4
Departmental agencies and accounts	575 951	-	-	995	(408 237)	-	-	(407 242)	168 709
Households	-	-	-	535	-	-	-	535	535
<b>Payments for capital assets</b>	<b>16 177</b>	-	-	<b>1 163</b>	<b>(2 760)</b>	-	-	<b>(1 597)</b>	<b>14 580</b>
Machinery and equipment	16 177	-	-	1 103	(2 760)	-	-	(1 657)	14 520
Software and other intangible assets	-	-	-	60	-	-	-	60	60
<b>Total</b>	<b>1 180 820</b>	-	-	-	<b>(525 678)</b>	-	<b>2 478</b>	<b>(523 200)</b>	<b>657 620</b>

Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry Management	35 508	-	-	-	(4 049)	-	-	(4 049)	31 459
Support Services to President	311 882	-	-	-	-	-	-	-	311 882
Support Services to Deputy President	64 281	-	-	-	-	-	-	-	64 281
Cabinet Services	51 615	-	-	842	-	-	-	842	52 457
<b>Total</b>	<b>488 533</b>	-	-	-	<b>(4 049)</b>	-	-	<b>(4 049)</b>	<b>484 484</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>475 048</b>	-	-	(2 697)	(4 009)	-	-	(6 706)	468 342
Compensation of employees	302 222	-	-	(535)	(1 730)	-	-	(2 265)	299 957
Goods and services	172 826	-	-	(2 162)	(2 279)	-	-	(4 441)	168 385
<b>Transfers and subsidies</b>	<b>28</b>	-	-	<b>1 534</b>	-	-	-	<b>1 534</b>	<b>1 562</b>
Provinces and municipalities	-	-	-	4	-	-	-	4	4
Departmental agencies and accounts	28	-	-	995	-	-	-	995	1 023
Households	-	-	-	535	-	-	-	535	535
<b>Payments for capital assets</b>	<b>13 457</b>	-	-	<b>1 163</b>	<b>(40)</b>	-	-	<b>1 123</b>	<b>14 580</b>
Machinery and equipment	13 457	-	-	1 103	(40)	-	-	1 063	14 520
Software and other intangible assets	-	-	-	60	-	-	-	60	60
<b>Total</b>	<b>488 533</b>	-	-	-	<b>(4 049)</b>	-	-	<b>(4 049)</b>	<b>484 484</b>

Programme 2: National Planning

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
National Planning	47 739	-	-	-	(47 739)	-	-	(47 739)	-
Commission: Ministry Research and Policy Services	55 577	-	-	-	(55 577)	-	-	(55 577)	-
Communication and Public Participation	10 076	-	-	-	(10 076)	-	-	(10 076)	-
<b>Total</b>	<b>113 392</b>	-	-	-	<b>(113 392)</b>	-	-	<b>(113 392)</b>	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>110 668</b>	-	-	-	<b>(110 668)</b>	-	-	<b>(110 668)</b>	-
Compensation of employees	29 421	-	-	-	(29 421)	-	-	(29 421)	-
Goods and services	81 247	-	-	-	(81 247)	-	-	(81 247)	-
<b>Transfers and subsidies</b>	<b>4</b>	-	-	-	<b>(4)</b>	-	-	<b>(4)</b>	-
Provinces and municipalities	4	-	-	-	(4)	-	-	(4)	-
<b>Payments for capital assets</b>	<b>2 720</b>	-	-	-	<b>(2 720)</b>	-	-	<b>(2 720)</b>	-
Machinery and equipment	2 720	-	-	-	(2 720)	-	-	(2 720)	-
<b>Total</b>	<b>113 392</b>	-	-	-	<b>(113 392)</b>	-	-	<b>(113 392)</b>	-

**Programme 3: National Youth Development Agency**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
National Youth Development Agency	408 237	-	-	-	(408 237)	-	-	(408 237)	-
<b>Total</b>	<b>408 237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(408 237)</b>	<b>-</b>	<b>-</b>	<b>(408 237)</b>	<b>-</b>
<b>Economic classification</b>									
<b>Transfers and subsidies</b>	<b>408 237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(408 237)</b>	<b>-</b>	<b>-</b>	<b>(408 237)</b>	<b>-</b>
Departmental agencies and accounts	408 237	-	-	-	(408 237)	-	-	(408 237)	-
<b>Total</b>	<b>408 237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(408 237)</b>	<b>-</b>	<b>-</b>	<b>(408 237)</b>	<b>-</b>

**Direct charges against the National Revenue Fund**

	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Salary of the President	2 972	-	-	-	-	-	-	-	2 972
Salary of the Deputy President	-	-	-	-	-	-	2 478	2 478	2 478
<b>Total</b>	<b>2 972</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 478</b>	<b>2 478</b>	<b>5 450</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 972</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 478</b>	<b>2 478</b>	<b>5 450</b>
Compensation of employees	2 972	-	-	-	-	-	2 478	2 478	5 450
<b>Total</b>	<b>2 972</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 478</b>	<b>2 478</b>	<b>5 450</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Virements and shifts****Programmes**

- Administration
- National Planning
- National Youth Development Agency
- International Marketing and Communication

**FROM:**

Programme by economic classification			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(2 697)</b>	<b>Programme 1</b>		<b>2 697</b>
Goods and services	Reclassification of funds incorrectly classified in the 2014 ENE	(1 103)	Machinery and equipment	Reclassification of funds from operating leases to finance leases for photocopier machines, computer and office equipment, and development of a secure document management system	1 103
	Mandatory transfer to the Public Sector Education and Training Authority, which is 30 per cent of the 1 per cent training allocation in terms of legislation <sup>1</sup>	(995)	Departmental agencies and accounts	Mandatory transfer to Public Sector Education and Training Authority, which is 30 per cent of the 1 per cent training allocation in terms of legislation <sup>1</sup>	995
	Reclassification of funds incorrectly classified in the 2014 ENE	(60)	Software and other intangible assets	Reclassification of funds for corporate identity (branding)	60
	Reclassification of funds incorrectly classified in the 2014 ENE	(4)	Provinces and municipalities	Vehicle licences	4
Compensation of employees	Vacant posts	(535)	Households	Leave gratuities	535
Shifts within the programme as a percentage of the programme budget		0.6%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(2 697)</b>	<b>2 697</b>		

1. National Treasury approval has been obtained.

### Funds shifted between votes following the transfer of a function – R525.678 million

In accordance with the national macro organisation of the state, funds for the following functions have been transferred to the Department of Planning, Monitoring and Evaluation:

Programme 1: Administration

R4.049 million for the youth policy oversight unit

Programme 2: National Planning

R113.392 million

Programme 3: National Youth Development Agency

R408.237 million

### Direct charges against the National Revenue Fund – R2.478 million

R2.478 million has been allocated for the salary of the deputy president.

### Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
Administration	460 339	183 534	39.9	415 182	90.2	484 484	73.7	201 975	41.7
International Marketing and Communication	160 434	82 669	51.5	160 434	100.0	167 686	25.5	86 007	51.3
<b>Subtotal</b>	<b>620 773</b>	<b>266 203</b>	<b>42.9</b>	<b>575 616</b>	<b>92.7</b>	<b>652 170</b>	<b>99.2</b>	<b>287 982</b>	<b>44.2</b>
<b>Direct charge against the National Revenue Fund</b>	<b>2 804</b>	<b>1 311</b>	<b>46.8</b>	<b>2 623</b>	<b>93.5</b>	<b>5 450</b>	<b>0.8</b>	<b>2 176</b>	<b>39.9</b>
Salary of the President	2 804	1 311	46.8	2 623	93.5	2 972	0.5	1 311	44.1
Salary of the Deputy President	–	–	0.0	–	0.0	2 478	0.4	865	34.9
<b>Total</b>	<b>623 577</b>	<b>267 514</b>	<b>42.9</b>	<b>578 239</b>	<b>92.7</b>	<b>657 620</b>	<b>100.0</b>	<b>290 158</b>	<b>44.1</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>445 596</b>	<b>180 390</b>	<b>40.5</b>	<b>402 867</b>	<b>90.4</b>	<b>473 792</b>	<b>72.0</b>	<b>199 225</b>	<b>42.0</b>
Compensation of employees	274 973	130 088	47.3	259 465	94.4	305 407	46.4	141 814	46.4
Goods and services	170 623	50 302	29.5	143 398	84.0	168 385	25.6	57 411	34.1
Interest and rent on land	–	–	0.0	4	0.0	–	0.0	–	0.0
<b>Transfers and subsidies</b>	<b>160 720</b>	<b>82 930</b>	<b>51.6</b>	<b>161 033</b>	<b>100.2</b>	<b>169 248</b>	<b>25.7</b>	<b>86 574</b>	<b>51.2</b>
Provinces and municipalities	5	5	100.0	8	160.0	4	0.0	5	125.0
Departmental agencies and accounts	160 460	82 670	51.5	160 435	100.0	168 709	25.7	86 008	51.0
Households	255	255	100.0	590	231.4	535	0.1	561	104.9
<b>Payments for capital assets</b>	<b>17 261</b>	<b>4 194</b>	<b>24.3</b>	<b>14 160</b>	<b>82.0</b>	<b>14 580</b>	<b>2.2</b>	<b>4 359</b>	<b>29.9</b>
Machinery and equipment	17 071	4 013	23.5	13 350	78.2	14 520	2.2	4 352	30.0
Software and other intangible assets	190	181	95.3	810	426.3	60	0.0	7	11.7
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>179</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>
<b>Total</b>	<b>623 577</b>	<b>267 514</b>	<b>42.9</b>	<b>578 239</b>	<b>92.7</b>	<b>657 620</b>	<b>100.0</b>	<b>290 158</b>	<b>44.1</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 92.7 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R290.158 million, or 44.1 per cent of the adjusted appropriation of R657.620 million for the year. In comparison, mid-year expenditure in 2013/14 was R267.514 million, or



42.9 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R22.644 million, or 8.5 per cent. This is mainly due to expenses related to the 2014 presidential inauguration held in the first quarter of 2014/15.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>781</b>	<b>554</b>	<b>70.9</b>	<b>897</b>	<b>114.9</b>	<b>901</b>	<b>1 161</b>	<b>100.0</b>	<b>549</b>	<b>47.3</b>
Sales of goods and services produced by department	265	140	52.8	299	112.8	350	366	31.5	163	44.5
Sales of scrap, waste, arms and other used current goods	3	3	100.0	-	0.0	-	-	0.0	-	0.0
Transfers received	-	-	0.0	-	0.0	-	244	21.0	244	100.0
Interest, dividends and rent on land	10	7	70.0	-	0.0	11	11	1.0	7	63.6
Sales of capital assets	337	337	100.0	342	101.5	300	300	25.8	108	36.0
Transactions in financial assets and liabilities	166	67	40.4	256	154.2	240	240	20.7	27	11.3
<b>Total</b>	<b>781</b>	<b>554</b>	<b>70.9</b>	<b>897</b>	<b>114.9</b>	<b>901</b>	<b>1 161</b>	<b>100.0</b>	<b>549</b>	<b>47.3</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R549 000, or 47.3 per cent of the adjusted revenue estimate of R1.161 million for the year. In comparison, mid-year revenue in 2013/14 was R554 000, or 70.9 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R5 000, or 0.9 per cent. This was mainly due to the minimal sales of capital assets in 2014/15. Two cars were sold in 2013/14 and more revenue was collected from the disposal of IT equipment.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15 Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	-	-	-	4	-	-	-	4	4
Municipal services	-	-	-	4	-	-	-	4	4
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	995	-	-	-	995	995
Public Sector Education and Training Authority (PSETA)	-	-	-	995	-	-	-	995	995
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	535	-	-	-	535	535
Employee social benefits	-	-	-	535	-	-	-	535	535

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

R thousand	2014/15							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	
<b>National Planning</b>								
Provinces and municipalities								
Municipalities								
Municipal bank accounts								
Current	4	-	-	-	(4)	-	-	(4)
Vehicle licences	4	-	-	-	(4)	-	-	(4)
<b>National Youth Development Agency</b>								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	408 237	-	-	-	(408 237)	-	-	(408 237)
National Youth Development Agency	408 237	-	-	-	(408 237)	-	-	(408 237)

# Vote 3

## Cooperative Governance and Traditional Affairs

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>63 212 720</b>	<b>63 453 885</b>	-	241 165
<b>of which:</b>				
Current payments	2 690 712	2 689 790	(922)	-
Transfers and subsidies	60 513 311	60 755 398	-	242 087
Payments for capital assets	8 697	8 697	-	-
Executive authority	Minister of Cooperative Governance and Traditional Affairs			
Accounting officers	Directors-General of Cooperative Governance and Traditional Affairs			
Website addresses	www.cogta.gov.za; www.dta.gov.za			

### Aim

*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 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed estimate for 2014/15
Total number of municipalities with established municipal public accounts committees	Governance and Intergovernmental Relations	Outcome 9: A responsive, accountable, effective and efficient local government system	278	272	-
Total number of municipalities supported to implement a revised national framework on funding for ward committees	Governance and Intergovernmental Relations		278	196	-
Total number of fully functional disaster management centres across the three spheres of government	National Disaster Management Centre		62	52	-
Number of smaller municipalities supported to implement revised Integrated Development Planning Framework	Provincial and Municipal Government Systems		136	93	-
Total number of provinces supported in community development programme	Provincial and Municipal Government Systems		9	0	-
Total number of provinces assessed in institutional capacity per year	Provincial and Municipal Government Systems		9	3	-
Value of municipalities' spending on municipal infrastructure grant per year	Infrastructure and Economic Development		R14.7bn	R4.5bn	-
Number of work opportunities created through the community work programme per year	Infrastructure and Economic Development		187 000	163 727	-
Total number of municipalities (40 targeted municipalities) supported in implementing local economic development programmes per year	Infrastructure and Economic Development		30	15	-
Total number of towns and cities implementing the Clean Cities and Towns programme	Infrastructure and Economic Development		8	4	-

Mid-year progress

The indicator for the total number of provinces supported in the community development programme has been removed from the reviewed annual performance plan, due to amendments that were proposed by management to discontinue the project.

The department has only been able to assess 3 provinces in institutional capacity, due to the need to realign the national and provincial government indicators with those of local government. The assessments will be accelerated in the third and fourth quarter of 2014/15.

The lower than expected spending on the municipal infrastructure grant is mainly due to the alignment of payments of grants with municipal financial years. The grant is paid in three quarterly tranches starting from July.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	252 080	-	-	460	-	-	-	460	252 540
Policy, Research and Knowledge Management	21 079	-	-	40	-	-	-	40	21 119
Governance and Intergovernmental Relations	44 618 802	-	-	-	-	-	-	-	44 618 802
National Disaster Management Centre	650 808	-	156 951	-	-	-	-	156 951	807 759
Provincial and Municipal Government Systems	289 508	-	-	(1 500)	-	-	-	(1 500)	288 008
Infrastructure and Economic Development	17 268 579	80 214	-	1 000	-	-	-	81 214	17 349 793
Traditional Affairs	111 864	-	4 000	-	-	-	-	4 000	115 864
<b>Total</b>	<b>63 212 720</b>	<b>80 214</b>	<b>160 951</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>241 165</b>	<b>63 453 885</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 690 712</b>	<b>-</b>	<b>-</b>	<b>(922)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(922)</b>	<b>2 689 790</b>
Compensation of employees	256 568	-	-	(10 000)	-	-	-	(10 000)	246 568
Goods and services	2 434 144	-	-	9 078	-	-	-	9 078	2 443 222
<b>Transfers and subsidies</b>	<b>60 513 311</b>	<b>80 214</b>	<b>160 951</b>	<b>922</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>242 087</b>	<b>60 755 398</b>
Provinces and municipalities	60 024 486	80 214	156 951	-	-	-	-	237 165	60 261 651
Departmental agencies and accounts	477 160	-	4 000	662	-	-	-	4 662	481 822
Foreign governments and international organisations	-	-	-	260	-	-	-	260	260
Non-profit institutions	11 665	-	-	-	-	-	-	-	11 665
<b>Payments for capital assets</b>	<b>8 697</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8 697</b>
Machinery and equipment	7 697	-	-	-	-	-	-	-	7 697
Software and other intangible assets	1 000	-	-	-	-	-	-	-	1 000
<b>Total</b>	<b>63 212 720</b>	<b>80 214</b>	<b>160 951</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>241 165</b>	<b>63 453 885</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Ministry Management	30 968	-	-	-	-	-	-	-	30 968
Chief Operating Officer	20 116	-	-	-	-	-	-	-	20 116
Corporate Services	20 878	-	-	(1 040)	-	-	-	(1 040)	19 838
Financial Services	80 790	-	-	1 500	-	-	-	1 500	82 290
Communication and Liaison	29 027	-	-	-	-	-	-	-	29 027
Legislation Review and Drafting	14 155	-	-	-	-	-	-	-	14 155
Internal Audit and Risk Management	11 483	-	-	-	-	-	-	-	11 483
Office Accommodation	10 630	-	-	-	-	-	-	-	10 630
Office Accommodation	34 033	-	-	-	-	-	-	-	34 033
<b>Total</b>	<b>252 080</b>	<b>-</b>	<b>-</b>	<b>460</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460</b>	<b>252 540</b>

**Programme 1: Administration (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>245 900</b>	–	–	(202)	–	–	–	(202)	<b>245 698</b>
Compensation of employees	114 965	–	–	–	–	–	–	–	114 965
Goods and services	130 935	–	–	(202)	–	–	–	(202)	130 733
<b>Transfers and subsidies</b>	<b>100</b>	–	–	<b>662</b>	–	–	–	<b>662</b>	<b>762</b>
Provinces and municipalities	100	–	–	–	–	–	–	–	100
Departmental agencies and accounts	–	–	–	662	–	–	–	662	662
<b>Payments for capital assets</b>	<b>6 080</b>	–	–	–	–	–	–	–	<b>6 080</b>
Machinery and equipment	5 080	–	–	–	–	–	–	–	5 080
Software and other intangible assets	1 000	–	–	–	–	–	–	–	1 000
<b>Total</b>	<b>252 080</b>	–	–	<b>460</b>	–	–	–	<b>460</b>	<b>252 540</b>

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

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Management: Research and Policy	4 250	–	–	–	–	–	–	–	4 250
Policy and Research Methods	6 846	–	–	300	–	–	–	300	7 146
Knowledge and Information Management	9 983	–	–	(260)	–	–	–	(260)	9 723
<b>Total</b>	<b>21 079</b>	–	–	<b>40</b>	–	–	–	<b>40</b>	<b>21 119</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>21 079</b>	–	–	<b>40</b>	–	–	–	<b>40</b>	<b>21 119</b>
Compensation of employees	9 694	–	–	1 500	–	–	–	1 500	11 194
Goods and services	11 385	–	–	(1 460)	–	–	–	(1 460)	9 925
<b>Total</b>	<b>21 079</b>	–	–	<b>40</b>	–	–	–	<b>40</b>	<b>21 119</b>

**Programme 4: National Disaster Management Centre**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Management: Head of Disaster	6 027	–	–	(1 565)	–	–	–	(1 565)	4 462
Legislation, Policy and Compliance Management	6 186	–	–	(55)	–	–	–	(55)	6 131
Planning Coordination and Support	13 906	–	–	(100)	–	–	–	(100)	13 806
Intelligence and Information Systems Management	26 435	–	–	(400)	–	–	–	(400)	26 035
Disaster Relief Transfers	560 952	–	–	–	–	–	–	–	560 952
Integrated Disaster Management Monitoring and Evaluation Systems	–	–	–	2 120	–	–	–	2 120	2 120
Municipal Disaster Recovery Grant	37 302	–	156 951	–	–	–	–	156 951	194 253
<b>Total</b>	<b>650 808</b>	–	<b>156 951</b>	–	–	–	–	<b>156 951</b>	<b>807 759</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>50 207</b>	–	–	–	–	–	–	–	<b>50 207</b>
Compensation of employees	20 801	–	–	–	–	–	–	–	20 801
Goods and services	29 406	–	–	–	–	–	–	–	29 406
<b>Transfers and subsidies</b>	<b>598 254</b>	–	<b>156 951</b>	–	–	–	–	<b>156 951</b>	<b>755 205</b>
Provinces and municipalities	598 254	–	156 951	–	–	–	–	156 951	755 205
<b>Payments for capital assets</b>	<b>2 347</b>	–	–	–	–	–	–	–	<b>2 347</b>
Machinery and equipment	2 347	–	–	–	–	–	–	–	2 347
<b>Total</b>	<b>650 808</b>	–	<b>156 951</b>	–	–	–	–	<b>156 951</b>	<b>807 759</b>

**Programme 5: Provincial and Municipal Government Systems**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Management: Provincial and Local Government Support	6 696	-	-	1 000	-	-	-	1 000	7 696
Provincial Government Support and Intervention	7 400	-	-	(800)	-	-	-	(800)	6 600
Local Government Support and Intervention	14 899	-	-	(1 700)	-	-	-	(1 700)	13 199
Development Planning	8 361	-	-	-	-	-	-	-	8 361
Municipal Systems Improvement Grant	252 152	-	-	-	-	-	-	-	252 152
<b>Total</b>	<b>289 508</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>288 008</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>37 256</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>35 756</b>
Compensation of employees	24 485	-	-	(1 500)	-	-	-	(1 500)	22 985
Goods and services	12 771	-	-	-	-	-	-	-	12 771
<b>Transfers and subsidies</b>	<b>252 152</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>252 152</b>
Provinces and municipalities	252 152	-	-	-	-	-	-	-	252 152
<b>Payments for capital assets</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>
Machinery and equipment	100	-	-	-	-	-	-	-	100
<b>Total</b>	<b>289 508</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 500)</b>	<b>288 008</b>

**Programme 6: Infrastructure and Economic Development**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Management: Infrastructure	13 152	-	-	-	-	-	-	-	13 152
Local Economic Development Planning	8 018	-	-	1 000	-	-	-	1 000	9 018
Infrastructure Development	11 572	-	-	-	-	-	-	-	11 572
Municipal Infrastructure Grant	14 683 835	80 214	-	-	-	-	-	80 214	14 764 049
Community Work Programme	2 257 840	-	-	-	-	-	-	-	2 257 840
Municipal Infrastructure Support Agency	294 162	-	-	-	-	-	-	-	294 162
<b>Total</b>	<b>17 268 579</b>	<b>80 214</b>	<b>-</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81 214</b>	<b>17 349 793</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 290 432</b>	<b>-</b>	<b>-</b>	<b>740</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>740</b>	<b>2 291 172</b>
Compensation of employees	60 939	-	-	(10 000)	-	-	-	(10 000)	50 939
Goods and services	2 229 493	-	-	10 740	-	-	-	10 740	2 240 233
<b>Transfers and subsidies</b>	<b>14 977 997</b>	<b>80 214</b>	<b>-</b>	<b>260</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80 474</b>	<b>15 058 471</b>
Provinces and municipalities	14 683 835	80 214	-	-	-	-	-	80 214	14 764 049
Departmental agencies and accounts	294 162	-	-	-	-	-	-	-	294 162
Foreign governments and international organisations	-	-	-	260	-	-	-	260	260
<b>Payments for capital assets</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>150</b>
Machinery and equipment	150	-	-	-	-	-	-	-	150
<b>Total</b>	<b>17 268 579</b>	<b>80 214</b>	<b>-</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81 214</b>	<b>17 349 793</b>

**Programme 7: Traditional Affairs**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Department of Traditional Affairs	111 864	-	4 000	-	-	-	-	4 000	115 864
<b>Total</b>	<b>111 864</b>	<b>-</b>	<b>4 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 000</b>	<b>115 864</b>
<b>Economic classification</b>									
<b>Transfers and subsidies</b>	<b>111 864</b>	<b>-</b>	<b>4 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 000</b>	<b>115 864</b>
Departmental agencies and accounts	111 864	-	4 000	-	-	-	-	4 000	115 864
<b>Total</b>	<b>111 864</b>	<b>-</b>	<b>4 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 000</b>	<b>115 864</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Roll-overs – R80.214 million

R80.214 million has been rolled over to a number of municipalities whose allocations were terminated due to underspending under Section 18 (1) (b) of the Division of Revenue Act.

### Unforeseeable and unavoidable expenditure – R160.951 million

Programme 4: National Disaster Management Centre

R156.951 million has been allocated for post-disaster reconstruction and the rehabilitation of municipal infrastructure in the Eastern Cape, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga and the Western Cape.

Programme 7: Traditional Affairs

An additional R4 million has been allocated to the Department of Traditional Affairs to cover the costs of the establishment of the deputy ministry.

### Virements and shifts

Programmes					
1. Administration					
2. Policy, Research and Knowledge Management					
3. Governance and Intergovernmental Relations					
4. National Disaster Management Centre					
5. Provincial and Municipal Government Systems					
6. Infrastructure and Economic Development					
7. Traditional Affairs					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(662)</b>	<b>Programme 1</b>		<b>662</b>
Goods and services	Unspent funds on consultants due to delays in procurement processes	(662)	Departmental agencies and accounts	Contribution to the Public Service Sector Education and Training Authority for skills development <sup>1</sup>	662
Shifts within the programme as a percentage of the programme budget		0.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(1 460)</b>	<b>Programme 1</b>		<b>460</b>
Goods and services	Cost containment measures effected on printing costs	(460)	Goods and services	Mentoring programme for the department's middle management service and senior management service	460
	Cost containment measures effected on travel	(1 000)	<b>Programme 6</b>		<b>1 000</b>
Goods and services			Goods and services	Procurement of consultant services to evaluate the municipal infrastructure grant	1 000
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>6.9%</b>			
<b>Programme 5</b>		<b>(1 500)</b>	<b>Programme 2</b>		<b>1 500</b>
Compensation of employees	Vacant posts	(1 500)	Compensation of employees	Restructuring due to personnel being shifted from programme 5 to 2 to assist in the intergovernmental relations framework	1 500
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.5%</b>			
<b>Programme 6</b>		<b>(10 260)</b>	<b>Programme 6</b>		<b>10 260</b>
Goods and services	Unspent funds on consultants due to delays in procurement processes	(260)	Foreign governments and international organisations	Membership fees for the Commonwealth Local Government Forum <sup>1</sup>	260
Compensation of employees	Vacant posts	(10 000)	Goods and services	Purchase of tools and materials for participants in community work programme	10 000
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(13 882)</b>			<b>13 882</b>

1. National Treasury approval has been obtained.

**Expenditure outcome for 2013/14 and actual expenditure for 2014/15**

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	adjusted appropriation % of	Apr 13 - Mar 14	adjusted appropriation % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted appropriation % of
R thousand									
Administration	219 871	101 458	46.1	211 498	96.2	252 540	0.4	110 561	43.8
Policy, Research and Knowledge Management	52 492	18 385	35.0	51 453	98.0	21 119	0.0	15 509	73.4
Governance and Intergovernmental Relations	40 722 949	16 332 715	40.1	39 080 214	96.0	44 618 802	70.3	17 440 752	39.1
National Disaster Management Centre	705 396	136 058	19.3	423 859	60.1	807 759	1.3	85 574	10.6
Provincial and Municipal Government Systems	281 627	262 896	93.3	291 872	103.6	288 008	0.5	269 996	93.7
Infrastructure and Economic Development	16 371 416	5 316 432	32.5	16 230 974	99.1	17 349 793	27.3	5 452 459	31.4
Traditional Affairs	105 156	50 302	47.8	111 702	106.2	115 864	0.2	59 609	51.4
<b>Total</b>	<b>58 458 907</b>	<b>22 218 246</b>	<b>38.0</b>	<b>56 401 572</b>	<b>96.5</b>	<b>63 453 885</b>	<b>100.0</b>	<b>23 434 460</b>	<b>36.9</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 143 510</b>	<b>977 325</b>	<b>45.6</b>	<b>2 192 864</b>	<b>102.3</b>	<b>2 689 790</b>	<b>4.2</b>	<b>1 061 634</b>	<b>39.5</b>
Compensation of employees	245 062	144 544	59.0	269 740	110.1	246 568	0.4	151 416	61.4
Goods and services	1 898 448	832 781	43.9	1 923 124	101.3	2 443 222	3.9	910 218	37.3
<b>Transfers and subsidies</b>	<b>56 304 352</b>	<b>21 238 517</b>	<b>37.7</b>	<b>54 193 279</b>	<b>96.3</b>	<b>60 755 398</b>	<b>95.7</b>	<b>22 367 152</b>	<b>36.8</b>
Provinces and municipalities	55 842 888	21 179 966	37.9	53 811 709	96.4	60 261 651	95.0	22 247 406	36.9
Departmental agencies and accounts	435 347	52 550	12.1	362 449	83.3	481 822	0.8	116 394	24.2
Foreign governments and international organisations	–	–	0.0	400	0.0	260	0.0	–	0.0
Public corporations and private enterprises	–	182	0.0	–	0.0	–	0.0	–	0.0
Non-profit institutions	11 117	5 122	46.1	13 888	124.9	11 665	0.0	3 209	27.5
Households	15 000	697	4.6	4 833	32.2	–	0.0	143	0.0
<b>Payments for capital assets</b>	<b>10 245</b>	<b>2 357</b>	<b>23.0</b>	<b>15 011</b>	<b>146.5</b>	<b>8 697</b>	<b>0.0</b>	<b>5 614</b>	<b>64.6</b>
Machinery and equipment	9 495	2 357	24.8	15 011	158.1	7 697	0.0	5 614	72.9
Software and other intangible assets	750	–	0.0	–	0.0	1 000	0.0	–	0.0
<b>Payments for financial assets</b>	<b>800</b>	<b>47</b>	<b>5.9</b>	<b>418</b>	<b>52.3</b>	<b>–</b>	<b>0.0</b>	<b>60</b>	<b>0.0</b>
<b>Total</b>	<b>58 458 907</b>	<b>22 218 246</b>	<b>38.0</b>	<b>56 401 572</b>	<b>96.5</b>	<b>63 453 885</b>	<b>100.0</b>	<b>23 434 460</b>	<b>36.9</b>

**Expenditure trends for the first half of 2014/15**

Total expenditure in 2013/14 was 96.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R23.434 billion, or 36.9 per cent of the adjusted appropriation of R63.454 billion for the year. In comparison, mid-year expenditure in 2013/14 was R22.218 billion, or 38 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R1.216 billion, or 5.5 per cent. This was mainly due to an increase in the allocations for the grants.



## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome		Actual receipts		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14 % of adjusted estimate	
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate				Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>871</b>	<b>112</b>	<b>12.9</b>	<b>1 220</b>	<b>140.1</b>	<b>918</b>	<b>988</b>	<b>100.0</b>	<b>393</b>	<b>39.8</b>
Sales of goods and services produced by department	159	84	52.8	174	109.4	161	171	17.3	86	50.3
Sales of scrap, waste, arms and other used current goods	2	1	50.0	1	50.0	5	5	0.5	-	-
Interest, dividends and rent on land	2	1	50.0	-	0.0	2	2	0.2	2	100.0
Sales of capital assets	-	-	0.0	16	0.0	-	60	6.1	52	86.7
Transactions in financial assets and liabilities	708	26	3.7	1 029	145.3	750	750	75.9	253	33.7
<b>Total</b>	<b>871</b>	<b>112</b>	<b>12.9</b>	<b>1 220</b>	<b>140.1</b>	<b>918</b>	<b>988</b>	<b>100.0</b>	<b>393</b>	<b>39.8</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R393 000, or 39.8 per cent of the adjusted revenue estimate of R988 000 for the year. In comparison, mid-year revenue in 2013/14 was R112 000, or 12.9 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R281 000 or 250.9 per cent. This was mainly due to more than anticipated capital asset sales in 2013/14 and increased repayments of loans and advances paid to employees.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	662	-	-	-	662	662
Public Service Education Training Authority	-	-	-	662	-	-	-	662	662
<b>National Disaster Management Centre</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Capital</b>	37 302	-	156 951	-	-	-	-	156 951	194 253
Municipal disaster recovery grant	37 302	-	156 951	-	-	-	-	156 951	194 253
<b>Infrastructure and Economic Development</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Capital</b>	14 683 835	80 214	-	-	-	-	-	80 214	14 764 049
Municipal infrastructure grant	14 683 835	80 214	-	-	-	-	-	80 214	14 764 049
<b>Foreign governments and international organisations</b>									
<b>Current</b>	-	-	-	260	-	-	-	260	260
Commonwealth Local Government Forum	-	-	-	260	-	-	-	260	260

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

		2014/15							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Traditional Affairs</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
	<b>Current</b>	111 864	-	4 000	-	-	-	4 000	115 864
Department of Traditional Affairs		111 864	-	4 000	-	-	-	4 000	115 864

**Summary of changes to conditional grants: Local government**

		2014/15							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>National Disaster Management Centre</b>	400 882	-	156 951	-	-	-	-	156 951	557 833
Municipal disaster recovery grant	37 302	-	156 951	-	-	-	-	156 951	194 253
<b>Infrastructure and Economic Development</b>	14 683 835	80 214	-	-	-	-	-	80 214	14 764 049
Municipal infrastructure grant	14 683 835	80 214	-	-	-	-	-	80 214	14 764 049

## Parliament

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 508 170</b>	<b>1 508 170</b>	-	-
<i>of which:</i>				
Current payments	1 156 288	1 150 766	(5 522)	-
Transfers and subsidies	348 487	353 401	-	4 914
Payments for capital assets	3 395	4 003	-	608
<b>Direct charge against the National Revenue Fund</b>	<b>481 006</b>	<b>481 006</b>	-	-
Executive authority	Speaker of the National Assembly and Chairperson of the National Council of Provinces			
Accounting officer	Secretary to Parliament			
Website address	www.parliament.gov.za			

### Aim

*Provide the support services required by Parliament to fulfil its constitutional functions, assist political parties represented in Parliament to secure administrative support and service constituents, and provide members of Parliament with the necessary facilities.*

### Mid-year performance status

Indicator	Programme	Annual performance		
		Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of bills passed per year	Legislation and Oversight	20	3	-
Number of questions put to the Executive per year	Legislation and Oversight	4 244	2 002	-
Number of annual reports tabled and scrutinised by committees	Legislation and Oversight	225	257	-
Number of oversight visits undertaken by committees per year	Legislation and Oversight	35	12	-
Number of debates held for the public consideration of issues per year	Public and International Participation	130	40	-
Number of visitors to Parliament per year	Public and International Participation	52 321	21 331	-
Number of international agreements adopted per year	Public and International Participation	40	6	-

#### Mid-year progress

The number of visitors to Parliament was 21 331 by mid-year 2014/15, against an annual estimate of 52 321. The actual number of visitors to Parliament is lower due to the implementation of the virtual tour, which allows the public to view the parliamentary precinct and its operations on the internet. The actual number of bills passed and number of international agreements adopted by mid-year is lower as the 5<sup>th</sup> Parliament was only established in May 2014 and parliamentary committees only became fully operational during the month of August. The number of annual reports tabled and scrutinised by committees is higher than the annual target as many departments and institutions completed their audit process timeously.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	441 956	-	-	3 500	-	-	-	3 500	445 456
Legislation and Oversight	361 235	-	-	4 586	-	-	-	4 586	365 821
Public and International Participation	132 620	-	-	(3 000)	-	-	-	(3 000)	129 620
Members' Facilities	223 872	-	-	(10 000)	-	-	-	(10 000)	213 872
Associated Services	348 487	-	-	4 914	-	-	-	4 914	353 401
<b>Total</b>	<b>1 508 170</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 508 170</b>
<b>Direct charge against the National Revenue Fund</b>	<b>481 006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>481 006</b>
Members' remuneration	481 006	-	-	-	-	-	-	-	481 006
<b>Total</b>	<b>1 989 176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 989 176</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 637 294</b>	<b>-</b>	<b>-</b>	<b>(5 522)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 522)</b>	<b>1 631 772</b>
Compensation of employees	1 156 098	-	-	(115)	-	-	-	(115)	1 155 983
Goods and services	481 196	-	-	(5 407)	-	-	-	(5 407)	475 789
<b>Transfers and subsidies</b>	<b>348 487</b>	<b>-</b>	<b>-</b>	<b>4 914</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 914</b>	<b>353 401</b>
Non-profit institutions	348 487	-	-	4 914	-	-	-	4 914	353 401
<b>Payments for capital assets</b>	<b>3 395</b>	<b>-</b>	<b>-</b>	<b>608</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>608</b>	<b>4 003</b>
Machinery and equipment	3 395	-	-	608	-	-	-	608	4 003
<b>Total</b>	<b>1 989 176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 989 176</b>

## Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Office of the Speaker	43 514	-	-	-	-	-	-	-	43 514
Office of the Chairperson	23 863	-	-	-	-	-	-	-	23 863
Office of the Secretary	220 498	-	-	2 500	-	-	-	2 500	222 998
Corporate Services	58 956	-	-	-	-	-	-	-	58 956
Institutional Support	95 125	-	-	1 000	-	-	-	1 000	96 125
<b>Total</b>	<b>441 956</b>	<b>-</b>	<b>-</b>	<b>3 500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 500</b>	<b>445 456</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>438 561</b>	<b>-</b>	<b>-</b>	<b>3 500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 500</b>	<b>442 061</b>
Compensation of employees	317 270	-	-	2 885	-	-	-	2 885	320 155
Goods and services	121 291	-	-	615	-	-	-	615	121 906
<b>Payments for capital assets</b>	<b>3 395</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 395</b>
Machinery and equipment	3 395	-	-	-	-	-	-	-	3 395
<b>Total</b>	<b>441 956</b>	<b>-</b>	<b>-</b>	<b>3 500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 500</b>	<b>445 456</b>

## Programme 2: Legislation and Oversight

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
National Assembly	26 831	-	-	7 586	-	-	-	7 586	34 417
National Council of Provinces	36 607	-	-	-	-	-	-	-	36 607
Legislation and Oversight	297 797	-	-	(3 000)	-	-	-	(3 000)	294 797
<b>Total</b>	<b>361 235</b>	<b>-</b>	<b>-</b>	<b>4 586</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 586</b>	<b>365 821</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>361 235</b>	<b>-</b>	<b>-</b>	<b>3 978</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 978</b>	<b>365 213</b>
Compensation of employees	258 679	-	-	(3 000)	-	-	-	(3 000)	255 679
Goods and services	102 556	-	-	6 978	-	-	-	6 978	109 534
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>608</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>608</b>	<b>608</b>
Machinery and equipment	-	-	-	608	-	-	-	608	608
<b>Total</b>	<b>361 235</b>	<b>-</b>	<b>-</b>	<b>4 586</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 586</b>	<b>365 821</b>

**Programme 3: Public and International Participation**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Public Affairs	75 911	-	-	-	-	-	-	-	75 911
International Relations	56 709	-	-	(3 000)	-	-	-	(3 000)	53 709
<b>Total</b>	<b>132 620</b>	<b>-</b>	<b>-</b>	<b>(3 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 000)</b>	<b>129 620</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>132 620</b>	<b>-</b>	<b>-</b>	<b>(3 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 000)</b>	<b>129 620</b>
Compensation of employees	52 513	-	-	-	-	-	-	-	52 513
Goods and services	80 107	-	-	(3 000)	-	-	-	(3 000)	77 107
<b>Total</b>	<b>132 620</b>	<b>-</b>	<b>-</b>	<b>(3 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 000)</b>	<b>129 620</b>

**Programme 4: Members' Facilities**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
National Assembly Members' Facilities	192 960	-	-	(7 000)	-	-	-	(7 000)	185 960
National Council of Provinces Members' Facilities	30 912	-	-	(3 000)	-	-	-	(3 000)	27 912
<b>Total</b>	<b>223 872</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>213 872</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>223 872</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>213 872</b>
Compensation of employees	46 630	-	-	-	-	-	-	-	46 630
Goods and services	177 242	-	-	(10 000)	-	-	-	(10 000)	167 242
<b>Total</b>	<b>223 872</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>213 872</b>

**Programme 5: Associated Services**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Political Party Support	83 198	-	-	6 216	-	-	-	6 216	89 414
Constituency Support	257 799	-	-	(2 220)	-	-	-	(2 220)	255 579
Party Leadership Support	7 490	-	-	918	-	-	-	918	8 408
<b>Total</b>	<b>348 487</b>	<b>-</b>	<b>-</b>	<b>4 914</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 914</b>	<b>353 401</b>
<b>Economic classification</b>									
<b>Transfers and subsidies</b>	<b>348 487</b>	<b>-</b>	<b>-</b>	<b>4 914</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 914</b>	<b>353 401</b>
Non-profit institutions	348 487	-	-	4 914	-	-	-	4 914	353 401
<b>Total</b>	<b>348 487</b>	<b>-</b>	<b>-</b>	<b>4 914</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 914</b>	<b>353 401</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Virements and shifts**

Programmes					
1. Administration					
2. Legislation and Oversight					
3. Public and International Participation					
4. Members' Facilities					
5. Associated Services					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(3 000)</b>	<b>Programme 2</b>		<b>3 000</b>
Compensation of employees	Vacant posts	(3 000)	Goods and services	Printing of Hansard report and other operational expenses for ad hoc committees	3 000
Shifts within the programme as a percentage of the programme budget		0.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(3 000)</b>	<b>Programme 2</b>		<b>3 000</b>
Goods and services	Unutilised international travel budget	(3 000)	Goods and services	Printing of Hansard report and other operational expenses for ad hoc committees	3 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		2.3%			
<b>Programme 4</b>		<b>(10 000)</b>	<b>Programme 2</b>		<b>1 586</b>
Goods and services	Unutilised travel benefits by members	(978)	Goods and services	Printing of Hansard report and other operational expenses for ad hoc committees	978
	Unutilised travel benefits by members	(608)	Machinery and equipment	Office equipment for new staff in the National Assembly division	608
	Unutilised travel benefits by members	(2 885)	<b>Programme 1</b>		<b>3 500</b>
	Unutilised travel benefits by members	(615)	Compensation of employees	Establishment of a new vetting unit	2 500
	Unutilised travel benefits by members	(4 914)		New positions	385
			Goods and services	Operational expenses relating to the office space project	615
			<b>Programme 5</b>		<b>4 914</b>
			Non-profit institutions	Increased financial support to political parties of the 5 <sup>th</sup> Parliament	4 914
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		4.5%			
<b>Total</b>		<b>(16 000)</b>	<b>16 000</b>		

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
Administration	409 694	212 721	51.9	531 069	129.6	445 456	22.4	200 289	45.0	
Legislation and Oversight	347 450	157 711	45.4	347 931	100.1	365 821	18.4	155 012	42.4	
Public and International Participation	119 913	62 660	52.3	114 985	95.9	129 620	6.5	41 174	31.8	
Members' Facilities	211 200	95 514	45.2	208 398	98.7	213 872	10.8	94 941	44.4	
Associated Services	331 102	165 430	50.0	333 102	100.6	353 401	17.8	179 142	50.7	
<b>Subtotal</b>	<b>1 419 359</b>	<b>694 036</b>	<b>48.9</b>	<b>1 535 485</b>	<b>108.2</b>	<b>1 508 170</b>	<b>75.8</b>	<b>670 558</b>	<b>44.5</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>453 779</b>	<b>188 288</b>	<b>41.5</b>	<b>401 856</b>	<b>88.6</b>	<b>481 006</b>	<b>24.2</b>	<b>193 132</b>	<b>40.2</b>	
Members' remuneration	453 779	188 288	41.5	401 856	88.6	481 006	24.2	193 132	40.2	
<b>Total</b>	<b>1 873 138</b>	<b>882 324</b>	<b>47.1</b>	<b>1 937 341</b>	<b>103.4</b>	<b>1 989 176</b>	<b>100.0</b>	<b>863 690</b>	<b>43.4</b>	
<b>Economic classification</b>	<b>1 538 054</b>	<b>709 657</b>	<b>46.1</b>	<b>1 570 450</b>	<b>102.1</b>	<b>1 631 772</b>	<b>82.0</b>	<b>682 077</b>	<b>41.8</b>	
<b>Current payments</b>	<b>1 107 036</b>	<b>504 732</b>	<b>45.6</b>	<b>1 066 636</b>	<b>96.4</b>	<b>1 155 983</b>	<b>58.1</b>	<b>517 675</b>	<b>44.8</b>	
Compensation of employees	431 018	204 925	47.5	503 767	116.9	475 789	23.9	164 402	34.6	
Goods and services	–	–	0.0	47	0.0	–	0.0	–	0.0	
Interest and rent on land	331 102	165 430	50.0	333 102	100.6	353 401	17.8	179 142	50.7	
<b>Transfers and subsidies</b>	<b>331 102</b>	<b>165 430</b>	<b>50.0</b>	<b>333 102</b>	<b>100.6</b>	<b>353 401</b>	<b>17.8</b>	<b>179 142</b>	<b>50.7</b>	
Non-profit institutions	3 982	7 237	181.7	29 273	735.1	4 003	0.2	2 471	61.7	
<b>Payments for capital assets</b>	<b>3 982</b>	<b>7 237</b>	<b>181.7</b>	<b>29 234</b>	<b>734.2</b>	<b>4 003</b>	<b>0.2</b>	<b>2 471</b>	<b>61.7</b>	
Machinery and equipment	–	–	0.0	39	0.0	–	0.0	–	0.0	
Heritage assets	–	–	0.0	4 516	0.0	–	0.0	–	0.0	
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>4 516</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	
<b>Total</b>	<b>1 873 138</b>	<b>882 324</b>	<b>47.1</b>	<b>1 937 341</b>	<b>103.4</b>	<b>1 989 176</b>	<b>100.0</b>	<b>863 690</b>	<b>43.4</b>	

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 103.4 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R863.690 million, or 43.4 per cent of the adjusted appropriation of R1.989 billion for the year. In comparison, mid-year expenditure in 2013/14 was R882.324 million, or

47.1 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R18.634 million, or 2.1 per cent. This was mainly due to the decrease in international travel related expenditure as a result of the planned trips not taking place as anticipated in the 5<sup>th</sup> Parliament.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Budget estimate	Actual receipts				
		Apr 13 - Sep 13	adjusted estimate	% of		Apr 13 - Mar 14	adjusted estimate	% of	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14
<b>Departmental receipts</b>	<b>33 625</b>	<b>16 265</b>	<b>48.4</b>	<b>52 371</b>	<b>155.8</b>	<b>34 025</b>	<b>39 013</b>	<b>100.0</b>	<b>18 043</b>	<b>46.2</b>
Sales of goods and services produced by department	9 025	4 215	46.7	24 300	269.3	9 025	9 025	23.1	3 731	41.3
Interest, dividends and rent on land	24 600	12 050	49.0	27 963	113.7	25 000	29 988	76.9	14 312	47.7
Sales of capital assets	-	-	0.0	108	0.0	-	-	0.0	-	0.0
<b>Total</b>	<b>33 625</b>	<b>16 265</b>	<b>48.4</b>	<b>52 371</b>	<b>155.8</b>	<b>34 025</b>	<b>39 013</b>	<b>100.0</b>	<b>18 043</b>	<b>46.2</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R18.043 million, or 46.2 per cent of the adjusted revenue estimate of R39.013 million for the year. In comparison, mid-year revenue in 2013/14 was R16.265 million, or 48.4 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R1.778 million, or 10.9 per cent. This was mainly due to higher than expected revenue from interest.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15						Total adjustments appropriation	Adjusted appropriation
		Adjustments appropriation							
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Associated Services</b>									
<b>Non-profit institutions</b>									
<b>Current</b>	<b>348 487</b>	-	-	<b>4 914</b>	-	-	-	<b>4 914</b>	<b>353 401</b>
Political party support	83 198	-	-	6 216	-	-	-	6 216	89 414
Constituency allowance	257 799	-	-	(2 220)	-	-	-	(2 220)	255 579
Party leadership support	7 490	-	-	918	-	-	-	918	8 408





# Vote 4

## Home Affairs

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>6 623 702</b>	<b>7 223 702</b>	-	600 000
<i>of which:</i>				
Current payments	4 853 791	5 453 791	-	600 000
Transfers and subsidies	1 759 018	1 759 018	-	-
Payments for capital assets	10 893	10 893	-	-
Executive authority	Minister of Home Affairs			
Accounting officer	Director-General of Home Affairs			
Website address	www.home-affairs.gov.za			

### Aim

*Efficiently determine and safeguard the identity and status of citizens. Regulate immigration to ensure security, promote development and fulfil South Africa's international obligations.*

### Mid-year performance status

Indicator <sup>1</sup>	Programme	Outcome	Annual Performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in first six months of 2014/15 (April to September)	Changed target for 2014/15
Percentage of machine readable passports (manual process) issued within 24 working days <sup>2</sup>	Citizen Affairs	Outcome 12: An efficient, effective and development oriented public service and an empowered and fair, inclusive citizenship	95%	92.7% (205 951)	-
Percentage of machine readable passports (live capture process) issued within 13 working days <sup>2</sup>	Citizen Affairs		97%	86.7% (7 868)	-
Percentage of identity documents (first issue) issued in 54 working days <sup>2</sup>	Citizen Affairs		95%	95.7% (285 329)	-
Percentage of identity documents (second issue) issued within 47 working days <sup>2</sup>	Citizen Affairs		95%	98.2% (238 735)	-
Number of births registered within 30 calendar days of birth	Citizen Affairs	Outcome 3: All people in South Africa are and feel safe	694 000	348 136	-
Number of smart ID cards issued to citizens 16 years of age and above <sup>3</sup>	Citizen Affairs		3 000 000	763 944	-
Percentage of permanent residence permits issued within 8 months (applications collected within South Africa)	Immigration Affairs	Outcome 12: An efficient, effective and development oriented public service and an empowered and fair, inclusive citizenship	50%	62.5% (2 884)	-
Percentage of temporary residence permits: critical skills (business, critical skills and general work) issued within 8 weeks <sup>4</sup>	Immigration Affairs	Outcome 5: A skilled and capable workforce to support an inclusive growth path Outcome 12: An efficient, effective and development oriented public service and an empowered and fair citizenship	62%	77.1% (7 596)	-

2014 Adjusted Estimates of National Expenditure

Indicator <sup>1</sup>	Programme	Outcome	Annual Performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in first six months of 2014/15 (April to September)	Changed target for 2014/15
Percentage of refugee identity documents issued within 90 days <sup>5</sup>	Immigration Affairs	Outcome 12: An efficient, effective and development oriented public service and an empowered and fair, inclusive citizenship	50%	58% (765)	–
Percentage of refugee travel documents issued within 90 days <sup>5</sup>	Immigration Affairs		80%	0%	–
Number of illegal foreigners deported per year	Immigration Affairs	Outcome 3: All people in South Africa are and feel safe	85 000	21 291	–

1. From 2013/14, the projected number of applications processed are not displayed as it is not within the control of the Department of Home Affairs.

2. These indicators were measured in terms of number of days up to 2010/11.

3. New performance indicator from 2013/14.

4. Up to 2012/13, work, business and corporate temporary residence permits were given focused attention. From 2013/14 a critical skills permit will replace the quota and exceptional skills permits.

5. Measured from the date of application at refugee reception offices until travel document is ready for collection at office of application or outcome is known. The performance indicator was not accurately measured in previous financial years, hence previous years' numbers are not published.

### Mid-year progress

The department is on track for meeting most of its targets.

By mid-year the department had issued 763 944 smart identity cards in line with the annual performance plan. The target is dependent on the number of offices with the live capture system, which is planned for 70 offices for the year. By mid-year 40 offices had the live capture system. The target for the year will be revised downwards from 3 million cards to 1.6 million cards.

The percentage of refugee travel documents issued within 90 days was not achieved by mid-year, due to delays in sending applications to head office from provinces, and the temporary shutdown of the production facility compounded the problem.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	1 860 295	–	–	–	–	–	141 826	141 826	2 002 121
Citizen Affairs	4 106 885	–	–	–	–	–	458 174	458 174	4 565 059
Immigration Affairs	656 522	–	–	–	–	–	–	–	656 522
<b>Total</b>	<b>6 623 702</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>600 000</b>	<b>600 000</b>	<b>7 223 702</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>4 853 791</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>600 000</b>	<b>600 000</b>	<b>5 453 791</b>
Compensation of employees	2 669 959	–	–	–	–	–	–	–	2 669 959
Goods and services	2 183 832	–	–	–	–	–	600 000	600 000	2 783 832
<b>Transfers and subsidies</b>	<b>1 759 018</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 759 018</b>
Provinces and municipalities	1 480	–	–	–	–	–	–	–	1 480
Departmental agencies and accounts	1 754 683	–	–	–	–	–	–	–	1 754 683
Households	2 855	–	–	–	–	–	–	–	2 855
<b>Payments for capital assets</b>	<b>10 893</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>10 893</b>
Machinery and equipment	10 893	–	–	–	–	–	–	–	10 893
<b>Total</b>	<b>6 623 702</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>600 000</b>	<b>600 000</b>	<b>7 223 702</b>

**Programme 1: Administration**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	44 337	-	-	-	-	-	-	-	44 337
Management Support Services	106 244	-	-	-	-	-	-	-	106 244
Corporate Services	577 785	-	-	-	-	-	17 000	17 000	594 785
Transversal Information Technology Management	676 703	-	-	-	-	-	50 000	50 000	726 703
Office Accommodation	455 226	-	-	-	-	-	74 826	74 826	530 052
<b>Total</b>	<b>1 860 295</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141 826</b>	<b>141 826</b>	<b>2 002 121</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 847 434</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141 826</b>	<b>141 826</b>	<b>1 989 260</b>
Compensation of employees	389 753	-	-	-	-	-	-	-	389 753
Goods and services	1 457 681	-	-	-	-	-	141 826	141 826	1 599 507
<b>Transfers and subsidies</b>	<b>1 968</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 968</b>
Provinces and municipalities	506	-	-	-	-	-	-	-	506
Departmental agencies and accounts	66	-	-	-	-	-	-	-	66
Households	1 396	-	-	-	-	-	-	-	1 396
<b>Payments for capital assets</b>	<b>10 893</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 893</b>
Machinery and equipment	10 893	-	-	-	-	-	-	-	10 893
<b>Total</b>	<b>1 860 295</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141 826</b>	<b>141 826</b>	<b>2 002 121</b>

**Programme 2: Citizen Affairs**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Citizen Affairs Management	24 677	-	-	-	-	-	-	-	24 677
Status Services	92 911	-	-	-	-	-	458 174	458 174	551 085
Identification Services	263 625	-	-	-	-	-	-	-	263 625
Access to Services	101 181	-	-	-	-	-	-	-	101 181
Service Delivery to Provinces	1 869 877	-	-	-	-	-	-	-	1 869 877
Film and Publication Board	78 901	-	-	-	-	-	-	-	78 901
Electoral Commission	1 675 713	-	-	-	-	-	-	-	1 675 713
<b>Total</b>	<b>4 106 885</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>458 174</b>	<b>458 174</b>	<b>4 565 059</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 350 169</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>458 174</b>	<b>458 174</b>	<b>2 808 343</b>
Compensation of employees	1 964 553	-	-	-	-	-	-	-	1 964 553
Goods and services	385 616	-	-	-	-	-	458 174	458 174	843 790
<b>Transfers and subsidies</b>	<b>1 756 716</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 756 716</b>
Provinces and municipalities	974	-	-	-	-	-	-	-	974
Departmental agencies and accounts	1 754 614	-	-	-	-	-	-	-	1 754 614
Households	1 128	-	-	-	-	-	-	-	1 128
<b>Total</b>	<b>4 106 885</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>458 174</b>	<b>458 174</b>	<b>4 565 059</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Other adjustments – R600 million

#### Self-financing expenditure

R600 million has been generated from the sale of official documents.

#### Programme 1: Administration

R141.826 million will be used for upgrading offices that will be rolling out the smart identity card.

#### Programme 2: Citizen Affairs

R458.174 million will be used for the production and issuing of the smart identity card to the public.

### Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
Administration	1 845 499	741 476	40.2	1 823 278	98.8	2 002 121	27.7	822 503	41.1
Citizen Affairs	4 388 151	2 015 440	45.9	4 347 636	99.1	4 565 059	63.2	2 440 007	53.4
Immigration Affairs	761 067	339 372	44.6	821 638	108.0	656 522	9.1	351 874	53.6
<b>Total</b>	<b>6 994 717</b>	<b>3 096 288</b>	<b>44.3</b>	<b>6 992 552</b>	<b>100.0</b>	<b>7 223 702</b>	<b>100.0</b>	<b>3 614 384</b>	<b>50.0</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>5 134 954</b>	<b>1 999 201</b>	<b>38.9</b>	<b>4 922 358</b>	<b>95.9</b>	<b>5 453 791</b>	<b>75.5</b>	<b>2 465 758</b>	<b>45.2</b>
Compensation of employees	2 496 534	1 161 453	46.5	2 433 679	97.5	2 669 959	37.0	1 314 626	49.2
Goods and services	2 638 420	837 748	31.8	2 488 679	94.3	2 783 832	38.5	1 151 132	41.4
<b>Transfers and subsidies</b>	<b>1 799 357</b>	<b>970 466</b>	<b>53.9</b>	<b>1 815 833</b>	<b>100.9</b>	<b>1 759 018</b>	<b>24.4</b>	<b>1 084 860</b>	<b>61.7</b>
Provinces and municipalities	1 115	484	43.4	871	78.1	1 480	0.0	460	31.1
Departmental agencies and accounts	1 795 924	965 063	53.7	1 803 709	100.4	1 754 683	24.3	1 079 345	61.5
Households	2 318	4 919	212.2	11 253	485.5	2 855	0.0	5 055	177.1
<b>Payments for capital assets</b>	<b>8 403</b>	<b>126 569</b>	<b>1506.2</b>	<b>254 261</b>	<b>3025.8</b>	<b>10 893</b>	<b>0.2</b>	<b>63 766</b>	<b>585.4</b>
Buildings and other fixed structures	105	72 692	69230.5	4 633	4412.4	–	0.0	3 048	0.0
Machinery and equipment	8 271	53 877	651.4	185 246	2239.7	10 893	0.2	60 603	556.3
Software and other intangible assets	27	–	0.0	64 382	238451.9	–	0.0	115	0.0
<b>Payments for financial assets</b>	<b>52 003</b>	<b>52</b>	<b>0.0</b>	<b>100</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>
<b>Total</b>	<b>6 994 717</b>	<b>3 096 288</b>	<b>44.3</b>	<b>6 992 552</b>	<b>100.0</b>	<b>7 223 702</b>	<b>100.0</b>	<b>3 614 384</b>	<b>50.0</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 100 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R3.614 billion, or 50 per cent of the adjusted appropriation of R7.224 billion for the year. In comparison, mid-year expenditure in 2013/14 was R3.096 billion, or 44.3 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R518.096 million, or 16.7 per cent. This was mainly due to the increases in expenditure on computer services, transfers to departmental agencies and accounts, operating leases, property payments, as well as consumables: stationery, printing and office supplies.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>588 034</b>	<b>292 781</b>	<b>49.8</b>	<b>741 605</b>	<b>126.1</b>	<b>651 365</b>	<b>365 461</b>	<b>100.0</b>	<b>319 410</b>	<b>87.4</b>
Sales of goods and services produced by department	548 640	273 084	49.8	673 773	122.8	598 627	333 662	91.3	289 051	86.6
Sales of scrap, waste, arms and other used current goods	14	7	50.0	7	50.0	36	7	0.0	6	85.7
Fines, penalties and forfeits	35 072	17 536	50.0	61 201	174.5	49 056	26 757	7.3	25 606	95.7
Interest, dividends and rent on land	332	166	50.0	509	153.3	224	377	0.1	377	100.0
Sales of capital assets	-	-	0.0	46	0.0	1 956	-	0.0	-	0.0
Transactions in financial assets and liabilities	3 976	1 988	50.0	6 069	152.6	1 466	4 658	1.3	4 370	93.8
<b>Total</b>	<b>588 034</b>	<b>292 781</b>	<b>49.8</b>	<b>741 605</b>	<b>126.1</b>	<b>651 365</b>	<b>365 461</b>	<b>100.0</b>	<b>319 410</b>	<b>87.4</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R319.410 million, or 87.4 per cent of the adjusted revenue estimate of R365.461 million for the year. In comparison, mid-year revenue in 2013/14 was R292.781 million, or 49.8 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue for the same period in 2014/15 increased by R26.629 million, or 9.1 per cent. This was mainly due to increases in the number of passports and identity documents issued, and forfeits and interest.



# Vote 5

## International Relations and Cooperation

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>5 754 324</b>	<b>6 104 324</b>	-	350 000
<b>of which:</b>				
Current payments	4 582 624	4 996 634	-	414 010
Transfers and subsidies	745 723	833 713	-	87 990
Payments for capital assets	425 977	273 977	(152 000)	-
Executive authority	Minister of International Relations and Cooperation			
Accounting officer	Director-General of International Relations and Cooperation			
Website address	www.dirco.gov.za			

### Aim

*Formulate, coordinate, implement and manage South Africa's foreign policy and international relations programmes.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of structured bilateral mechanisms to promote national priorities (African Agenda and the agenda of the South) per year	International Relations		34	5	-
Number of high level engagements coordinated to promote national priorities per year	International Relations		65	9	-
Number of economic diplomacy activities to attract investment, tourism and development of cooperation per year:	International Relations				-
Trade and investment seminars			273	56	
Engagements with chambers of commerce			155	55	
Bilateral meetings held with targeted government ministries and high level potential investors	International Relations		34	66	-
Development cooperation initiatives	International Relations		115	6	-
Number of African Union structures and processes used to promote peace and stability, socioeconomic development, and good governance and democracy on the continent per year	International Cooperation	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	4	2	-
Number of New Partnership for Africa's Development summits, working group meetings and processes supported with substance and logistics to enhance socioeconomic development on the continent per year	International Cooperation		4	2	-
Number of SADC structures and processes supported with substance and logistics to promote peace and stability, socio-economic development and good governance and democracy and to promote regional integration per year	International Cooperation		10	2	-
Percentage of requests for protocol services responded to per year	Public Diplomacy and Protocol Services		100%	100%	-
Percentage of requests for public diplomacy services responded to per year	Public Diplomacy and Protocol Services		100%	100%	-

## Mid-year progress

The department had concluded 5 structured bilateral mechanisms to promote national priorities against the target of 34 planned for the year. Although progress is slow, the department expects to achieve the target by the end of March 2015.

The department has realigned its targets to focus on tourism and trade promotion following the approval of the 2014-2019 medium term strategic framework, and is planning to host and participate in 59 promotional events to be held by March 2015. The realignment has thus resulted in the discontinuation of the performance indicator for development cooperation initiatives.

The department made contributions to the development of the Common African Position on the post-2015 development agenda and to the African Union (AU) Agenda 2063 that will chart Africa's development trajectory over the next 50 years. As a result, the department is on track to achieving the target for the number of AU structures and processes used to promote peace and stability, socioeconomic development, good governance and democracy on the continent, by the end of 2014/15.

The department continues to participate in multilateral forums, including the 69th United Nations General Assembly and promotes national priorities through its foreign representation in 125 diplomatic missions. The annual target for high level engagements to promote national priorities is expected to be met.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	1 396 255	-	-	23 314	-	-	-	23 314	1 419 569
International Relations	2 810 160	-	244 553	(7 262)	-	-	-	237 291	3 047 451
International Cooperation	486 371	-	26 129	(8 100)	-	-	-	18 029	504 400
Public Diplomacy and Protocol Services	317 249	-	-	(7 952)	-	-	-	(7 952)	309 297
International Transfers	744 289	-	79 318	-	-	-	-	79 318	823 607
<b>Total</b>	<b>5 754 324</b>	<b>-</b>	<b>350 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>350 000</b>	<b>6 104 324</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>4 582 624</b>	<b>-</b>	<b>270 682</b>	<b>143 328</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>414 010</b>	<b>4 996 634</b>
Compensation of employees	2 461 835	-	119 964	-	-	-	-	119 964	2 581 799
Goods and services	2 120 789	-	150 718	143 328	-	-	-	294 046	2 414 835
<b>Transfers and subsidies</b>	<b>745 723</b>	<b>-</b>	<b>79 318</b>	<b>8 672</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87 990</b>	<b>833 713</b>
Departmental agencies and accounts	285 560	-	-	-	-	-	-	-	285 560
Foreign governments and international organisations	460 122	-	79 318	-	-	-	-	79 318	539 440
Households	41	-	-	8 672	-	-	-	8 672	8 713
<b>Payments for capital assets</b>	<b>425 977</b>	<b>-</b>	<b>-</b>	<b>(152 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(152 000)</b>	<b>273 977</b>
Buildings and other fixed structures	400 181	-	-	(163 610)	-	-	-	(163 610)	236 571
Machinery and equipment	25 796	-	-	11 610	-	-	-	11 610	37 406
<b>Total</b>	<b>5 754 324</b>	<b>-</b>	<b>350 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>350 000</b>	<b>6 104 324</b>

## Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	5 956	-	-	-	-	-	-	-	5 956
Departmental Management	15 563	-	-	-	-	-	-	-	15 563
Audit Services	21 137	-	-	-	-	-	-	-	21 137
Financial Management	113 931	-	-	10 500	-	-	-	10 500	124 431
Corporate Services	679 827	-	-	7 952	-	-	-	7 952	687 779
Diplomatic Training, Research and Development	52 406	-	-	8 100	-	-	-	8 100	60 506
Foreign Fixed Assets Management	213 994	-	-	7 262	-	-	-	7 262	221 256
Office Accommodation	293 441	-	-	(10 500)	-	-	-	(10 500)	282 941
<b>Total</b>	<b>1 396 255</b>	<b>-</b>	<b>-</b>	<b>23 314</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23 314</b>	<b>1 419 569</b>



**Programme 1: Administration (continued)**

Economic classification		2014/15							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
<b>Current payments</b>	<b>996 089</b>	-	-	<b>164 332</b>	-	-	-	<b>164 332</b>	<b>1 160 421</b>
Compensation of employees	357 265	-	-	8 100	-	-	-	8 100	365 365
Goods and services	638 824	-	-	156 232	-	-	-	156 232	795 056
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 720</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 720</b>	<b>3 720</b>
Households	-	-	-	3 720	-	-	-	3 720	3 720
<b>Payments for capital assets</b>	<b>400 166</b>	<b>-</b>	<b>-</b>	<b>(144 738)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(144 738)</b>	<b>255 428</b>
Buildings and other fixed structures	400 166	-	-	(163 610)	-	-	-	(163 610)	236 556
Machinery and equipment	-	-	-	18 872	-	-	-	18 872	18 872
<b>Total</b>	<b>1 396 255</b>	<b>-</b>	<b>-</b>	<b>23 314</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23 314</b>	<b>1 419 569</b>

**Programme 2: International Relations**

Subprogramme		2014/15							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
<b>Total</b>	<b>2 810 160</b>	<b>-</b>	<b>244 553</b>	<b>(7 262)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>237 291</b>	<b>3 047 451</b>
<b>Economic classification</b>	<b>2 785 397</b>	<b>-</b>	<b>244 553</b>	<b>(4 078)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>240 475</b>	<b>3 025 872</b>
<b>Current payments</b>	<b>1 690 624</b>	<b>-</b>	<b>106 284</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106 284</b>	<b>1 796 908</b>
Compensation of employees	1 690 624	-	106 284	-	-	-	-	106 284	1 796 908
Goods and services	1 094 773	-	138 269	(4 078)	-	-	-	134 191	1 228 964
<b>Transfers and subsidies</b>	<b>1 393</b>	<b>-</b>	<b>-</b>	<b>4 078</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 078</b>	<b>5 471</b>
Foreign governments and international organisations	1 393	-	-	-	-	-	-	-	1 393
Households	-	-	-	4 078	-	-	-	4 078	4 078
<b>Payments for capital assets</b>	<b>23 370</b>	<b>-</b>	<b>-</b>	<b>(7 262)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7 262)</b>	<b>16 108</b>
Buildings and other fixed structures	15	-	-	-	-	-	-	-	15
Machinery and equipment	23 355	-	-	(7 262)	-	-	-	(7 262)	16 093
<b>Total</b>	<b>2 810 160</b>	<b>-</b>	<b>244 553</b>	<b>(7 262)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>237 291</b>	<b>3 047 451</b>

**Programme 3: International Cooperation**

Subprogramme		2014/15							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
<b>Total</b>	<b>486 371</b>	<b>-</b>	<b>26 129</b>	<b>(8 100)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18 029</b>	<b>504 400</b>
<b>Economic classification</b>	<b>485 515</b>	<b>-</b>	<b>26 129</b>	<b>(8 334)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 795</b>	<b>503 310</b>
<b>Current payments</b>	<b>288 923</b>	<b>-</b>	<b>13 680</b>	<b>(8 100)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 580</b>	<b>294 503</b>
Compensation of employees	288 923	-	13 680	(8 100)	-	-	-	5 580	294 503
Goods and services	196 592	-	12 449	(234)	-	-	-	12 215	208 807
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>234</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>234</b>	<b>234</b>
Households	-	-	-	234	-	-	-	234	234
<b>Payments for capital assets</b>	<b>856</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>856</b>
Machinery and equipment	856	-	-	-	-	-	-	-	856
<b>Total</b>	<b>486 371</b>	<b>-</b>	<b>26 129</b>	<b>(8 100)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18 029</b>	<b>504 400</b>

**Programme 4: Public Diplomacy and Protocol Services**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Public Diplomacy	61 473	-	-	1 308	-	-	-	1 308	62 781
Protocol Services	255 776	-	-	(9 260)	-	-	-	(9 260)	246 516
<b>Total</b>	<b>317 249</b>	<b>-</b>	<b>-</b>	<b>(7 952)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7 952)</b>	<b>309 297</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>315 623</b>	<b>-</b>	<b>-</b>	<b>(8 592)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8 592)</b>	<b>307 031</b>
Compensation of employees	125 023	-	-	-	-	-	-	-	125 023
Goods and services	190 600	-	-	(8 592)	-	-	-	(8 592)	182 008
<b>Transfers and subsidies</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>640</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>640</b>	<b>681</b>
Households	41	-	-	640	-	-	-	640	681
<b>Payments for capital assets</b>	<b>1 585</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 585</b>
Machinery and equipment	1 585	-	-	-	-	-	-	-	1 585
<b>Total</b>	<b>317 249</b>	<b>-</b>	<b>-</b>	<b>(7 952)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7 952)</b>	<b>309 297</b>

**Programme 5: International Transfers**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Departmental agencies	285 560	-	-	-	-	-	-	-	285 560
Membership contribution	458 729	-	79 318	-	-	-	-	79 318	538 047
<b>Total</b>	<b>744 289</b>	<b>-</b>	<b>79 318</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79 318</b>	<b>823 607</b>
<b>Economic classification</b>									
<b>Transfers and subsidies</b>	<b>744 289</b>	<b>-</b>	<b>79 318</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79 318</b>	<b>823 607</b>
Departmental agencies and accounts	285 560	-	-	-	-	-	-	-	285 560
Foreign governments and international organisations	458 729	-	79 318	-	-	-	-	79 318	538 047
<b>Total</b>	<b>744 289</b>	<b>-</b>	<b>79 318</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79 318</b>	<b>823 607</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Unforeseeable and unavoidable expenditure – R350 million**

Funds have been allocated for unforeseeable and unavoidable expenditure due to the impact of the depreciation of the Rand on foreign currency denominated expenditure, as follows:

**Programme 2: International Relations**

R244.553 million, mainly for accommodation leases, foreign allowances, educational allowances, foreign municipality costs and special travel allowances. These items make up almost 90 per cent of missions' budgets.

**Programme 3: International Cooperation**

R26.129 million, mainly for accommodation leases, foreign allowances, educational allowances, foreign municipality costs and special travel allowances.

**Programme 5: International Transfers**

R79.318 million for membership fee contributions made to international organisations.

**Virements and shifts****Programmes**

1. Administration
2. International Relations
3. International Cooperation
4. Public Diplomacy and Protocol Services
5. International Transfers

<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(167 205)</b>	<b>Programme 1</b>		<b>167 205</b>
Goods and services	Cost containment measures effected on IT services, consumables, stationery, and travel and subsistence	(3 720)	Households	Leave gratuities	3 720
Buildings and other fixed structures	Reclassification of funds incorrectly classified in the 2014 ENE	(163 485)	Goods and services	Reclassification of funds incorrectly classified in the 2014 ENE for the agency fee portion of unitary fee payments for the department's head office building; Feasibility study on the development of a capital acquisition and disposal strategy Shortfall in medical costs for transferred officials	151 875
			Machinery and equipment	Vehicles used in missions abroad	11 610
Shifts within the programme as a percentage of the programme budget		12.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(11 340)</b>	<b>Programme 2</b>		<b>4 078</b>
Goods and services	Cost containment measures effected on property payments, inventory and other supplies, consumables, stationery, travel and subsistence costs	(4 078)	Households	Leave gratuities	4 078
Machinery and equipment	Reallocation of funds due to the centralisation of procurement functions relating to vehicles under the Administration programme	(7 262)	<b>Programme 1</b>		<b>7 262</b>
			Machinery and equipment	Official vehicles for heads of mission abroad	7 262
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.3%</b>			
<b>Programme 3</b>		<b>(8 334)</b>	<b>Programme 3</b>		<b>234</b>
Goods and services	Cost containment measures effected on consumables, stationery, inventory, fuel and gas	(234)	Households	Leave gratuities	234
Compensation of employees	Vacant posts	(8 100)	<b>Programme 1</b>		<b>8 100</b>
			Compensation of employees	Diplomatic training and research development	8 100
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.7%</b>			
<b>Programme 4</b>		<b>(8 592)</b>	<b>Programme 1</b>		<b>7 952</b>
Goods and services	Cost containment measures effected on travel and subsistence	(7 952)	Goods and services	Increases in operating payments for missions abroad	7 952
	Cost containment measures effected on travel and subsistence	(640)	<b>Programme 4</b>		<b>640</b>
			Households	Leave gratuities	640
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.5%</b>			
<b>Total</b>		<b>(195 471)</b>			<b>195 471</b>

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
R thousand										
Administration	1 320 662	516 600	39.1	1 267 196	96.0	1 419 569	23.3	571 775	40.3	
International Relations	2 768 140	1 343 325	48.5	2 892 877	104.5	3 047 451	49.9	1 617 325	53.1	
International Cooperation	459 003	162 939	35.5	451 689	98.4	504 400	8.3	242 845	48.1	
Public Diplomacy and Protocol Services	254 468	121 193	47.6	281 553	110.6	309 297	5.1	138 787	44.9	
International Transfers	952 373	596 935	62.7	977 981	102.7	823 607	13.5	145 306	17.6	
<b>Total</b>	<b>5 754 646</b>	<b>2 740 992</b>	<b>47.6</b>	<b>5 871 296</b>	<b>102.0</b>	<b>6 104 324</b>	<b>100.0</b>	<b>2 716 038</b>	<b>44.5</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>4 403 339</b>	<b>2 006 505</b>	<b>45.6</b>	<b>4 682 552</b>	<b>106.3</b>	<b>4 996 634</b>	<b>81.9</b>	<b>2 410 891</b>	<b>48.3</b>	
Compensation of employees	2 354 273	1 104 329	46.9	2 433 733	103.4	2 581 799	42.3	1 348 635	52.2	
Goods and services	2 013 245	902 176	44.8	2 248 819	111.7	2 414 835	39.6	1 062 256	44.0	
Interest and rent on land	35 821	–	0.0	–	0.0	–	0.0	–	0.0	
<b>Transfers and subsidies</b>	<b>965 831</b>	<b>605 777</b>	<b>62.7</b>	<b>984 518</b>	<b>101.9</b>	<b>833 713</b>	<b>13.7</b>	<b>149 708</b>	<b>18.0</b>	
Departmental agencies and accounts	491 942	479 986	97.6	485 422	98.7	285 560	4.7	6	0.0	
Foreign governments and international organisations	460 431	120 387	26.1	492 539	107.0	539 440	8.8	145 306	26.9	
Public corporations and private enterprises	6 753	–	0.0	–	0.0	–	0.0	–	0.0	
Households	6 705	5 404	80.6	6 557	97.8	8 713	0.1	4 396	50.5	
<b>Payments for capital assets</b>	<b>385 476</b>	<b>126 467</b>	<b>32.8</b>	<b>203 772</b>	<b>52.9</b>	<b>273 977</b>	<b>4.5</b>	<b>155 296</b>	<b>56.7</b>	
Buildings and other fixed structures	343 055	115 202	33.6	171 210	49.9	236 571	3.9	145 235	61.4	
Machinery and equipment	42 421	11 211	26.4	32 562	76.8	37 406	0.6	10 061	26.9	
Land and subsoil assets	–	54	0.0	–	0.0	–	0.0	–	0.0	
<b>Payments for financial assets</b>	<b>–</b>	<b>2 243</b>	<b>0.0</b>	<b>454</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>143</b>	<b>0.0</b>	
<b>Total</b>	<b>5 754 646</b>	<b>2 740 992</b>	<b>47.6</b>	<b>5 871 296</b>	<b>102.0</b>	<b>6 104 324</b>	<b>100.0</b>	<b>2 716 038</b>	<b>44.5</b>	

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 102 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R2.716 billion, or 44.5 per cent of the adjusted appropriation of R6.104 billion for the year. In comparison, mid-year expenditure in 2013/14 was R2.741 billion, or 47.6 per cent of the 2013/14 adjusted appropriation. Compared to expenditure in the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R24.954 million or 0.9 per cent. This was mainly due to a decrease in allocations and rescheduling of transfers to the third quarter of 2014/15 for the African Renaissance and International Cooperation Fund.

## Departmental receipts

	2013/14 Audited outcome					2014/15 Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>25 409</b>	<b>12 430</b>	<b>48.9</b>	<b>36 569</b>	<b>143.9</b>	<b>26 488</b>	<b>46 189</b>	<b>100.0</b>	<b>31 977</b>	<b>69.2</b>
Sales of goods and services produced by department	629	338	53.7	870	138.3	596	818	1.8	444	54.2
Sales of scrap, waste, arms and other used current goods	122	7	5.7	–	0.0	–	–	0.0	–	0.0
Fines, penalties and forfeits	–	–	0.0	37	0.0	–	–	0.0	–	0.0
Interest, dividends and rent on land	4 902	398	8.1	1 384	28.2	5 145	5 441	11.8	1 694	31.1
Sales of capital assets	3 997	848	21.2	2 125	53.2	4 197	–	0.0	–	0.0
Transactions in financial assets and liabilities	15 759	10 839	68.8	32 153	204.0	16 550	39 930	86.4	29 840	74.7
<b>Total</b>	<b>25 409</b>	<b>12 430</b>	<b>48.9</b>	<b>36 569</b>	<b>143.9</b>	<b>26 488</b>	<b>46 189</b>	<b>100.0</b>	<b>31 977</b>	<b>69.2</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R31.977 million, or 69.2 per cent of the adjusted revenue estimate of R46.189 million for the year. In comparison, mid-year revenue received in 2013/14 was R12.430 million, or 48.9 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R19.547 million or 157.3 per cent. The increase in revenue is due to interest earned from mission bank accounts, and refunds received through the value-added tax refunds from missions as a result of the diplomatic immunity accorded to South Africa by other countries.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
<b>Administration</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	3 720	-	-	-	3 720	3 720
Employee social benefits	-	-	-	3 720	-	-	-	3 720	3 720
<b>International Relations</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	4 078	-	-	-	4 078	4 078
Employee social benefits	-	-	-	4 078	-	-	-	4 078	4 078
<b>International Cooperation</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	234	-	-	-	234	234
Employee social benefits	-	-	-	234	-	-	-	234	234
<b>Public Diplomacy and Protocol Services</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	41	-	-	640	-	-	-	640	681
Employee social benefits	41	-	-	640	-	-	-	640	681
<b>International Transfers</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	360 356	-	79 318	-	-	-	-	79 318	439 674
African Union	153 170	-	18 269	-	-	-	-	18 269	171 439
India-Brazil-South Africa Trust Fund	9 010	-	3 673	-	-	-	-	3 673	12 683
United Nations Development Programme	5 933	-	4 716	-	-	-	-	4 716	10 649
African, Caribbean and Pacific Group of States	4 185	-	8 537	-	-	-	-	8 537	12 722
Southern African Development Community	48 159	-	25 922	-	-	-	-	25 922	74 081
United Nations	139 899	-	18 201	-	-	-	-	18 201	158 100



# Vote 6

## Performance Monitoring and Evaluation

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>208 164</b>	-	(208 164)	-
<b>of which:</b>				
Current payments	202 359	-	(202 359)	-
Payments for capital assets	5 805	-	(5 805)	-
Executive authority	Minister in the Presidency: Performance, Monitoring and Evaluation as well as Administration			
Accounting officer	Director General of Performance, Monitoring and Evaluation			
Website address	www.thepresidency-dpme.gov.za			

### Aim

*Improve government service delivery through performance monitoring and evaluation.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the Department of Performance Monitoring and Evaluation will cease to exist. All functions of the department move to the new Department of Planning, Monitoring and Evaluation.

### Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	63 773	-	-	-	(63 773)	-	-	(63 773)	-
Outcomes Monitoring and Evaluation	78 225	-	-	-	(78 225)	-	-	(78 225)	-
Institutional Performance Monitoring and Evaluation	66 166	-	-	-	(66 166)	-	-	(66 166)	-
<b>Total</b>	<b>208 164</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(208 164)</b>	<b>-</b>	<b>-</b>	<b>(208 164)</b>	<b>-</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>202 359</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(202 359)</b>	<b>-</b>	<b>-</b>	<b>(202 359)</b>	<b>-</b>
Compensation of employees	131 484	-	-	-	(131 484)	-	-	(131 484)	-
Goods and services	70 875	-	-	-	(70 875)	-	-	(70 875)	-
<b>Payments for capital assets</b>	<b>5 805</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 805)</b>	<b>-</b>	<b>-</b>	<b>(5 805)</b>	<b>-</b>
Machinery and equipment	4 255	-	-	-	(4 255)	-	-	(4 255)	-
Software and other intangible assets	1 550	-	-	-	(1 550)	-	-	(1 550)	-
<b>Total</b>	<b>208 164</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(208 164)</b>	<b>-</b>	<b>-</b>	<b>(208 164)</b>	<b>-</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Departmental Management	6 676	-	-	-	(6 676)	-	-	(6 676)	-
Corporate and Financial Services	33 817	-	-	-	(33 817)	-	-	(33 817)	-
Information Technology Support	20 304	-	-	-	(20 304)	-	-	(20 304)	-
Internal Auditing	2 976	-	-	-	(2 976)	-	-	(2 976)	-
<b>Total</b>	<b>63 773</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(63 773)</b>	<b>-</b>	<b>-</b>	<b>(63 773)</b>	<b>-</b>

**Programme 1: Administration (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>59 153</b>	-	-	-	(59 153)	-	-	(59 153)	-
Compensation of employees	33 707	-	-	-	(33 707)	-	-	(33 707)	-
Goods and services	25 446	-	-	-	(25 446)	-	-	(25 446)	-
<b>Payments for capital assets</b>	<b>4 620</b>	-	-	-	(4 620)	-	-	(4 620)	-
Machinery and equipment	3 870	-	-	-	(3 870)	-	-	(3 870)	-
Software and other intangible assets	750	-	-	-	(750)	-	-	(750)	-
<b>Total</b>	<b>63 773</b>	-	-	-	(63 773)	-	-	(63 773)	-

**Programme 2: Outcomes Monitoring and Evaluation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Outcomes Monitoring and Evaluation	2 828	-	-	-	(2 828)	-	-	(2 828)	-
Outcomes Support	50 656	-	-	-	(50 656)	-	-	(50 656)	-
Evaluation and Research	24 741	-	-	-	(24 741)	-	-	(24 741)	-
<b>Total</b>	<b>78 225</b>	-	-	-	(78 225)	-	-	(78 225)	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>77 660</b>	-	-	-	(77 660)	-	-	(77 660)	-
Compensation of employees	53 862	-	-	-	(53 862)	-	-	(53 862)	-
Goods and services	23 798	-	-	-	(23 798)	-	-	(23 798)	-
<b>Payments for capital assets</b>	<b>565</b>	-	-	-	(565)	-	-	(565)	-
Machinery and equipment	165	-	-	-	(165)	-	-	(165)	-
Software and other intangible assets	400	-	-	-	(400)	-	-	(400)	-
<b>Total</b>	<b>78 225</b>	-	-	-	(78 225)	-	-	(78 225)	-

**Programme 3: Institutional Performance Monitoring and Evaluation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Institutional Performance Monitoring and Evaluation	2 413	-	-	-	(2 413)	-	-	(2 413)	-
Management Performance Monitoring and Support	19 759	-	-	-	(19 759)	-	-	(19 759)	-
Presidential Frontline Service Delivery	36 666	-	-	-	(36 666)	-	-	(36 666)	-
Performance Monitoring and Support	7 328	-	-	-	(7 328)	-	-	(7 328)	-
Macro Monitoring and Evaluation Policy and Capacity Building									
<b>Total</b>	<b>66 166</b>	-	-	-	(66 166)	-	-	(66 166)	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>65 546</b>	-	-	-	(65 546)	-	-	(65 546)	-
Compensation of employees	43 915	-	-	-	(43 915)	-	-	(43 915)	-
Goods and services	21 631	-	-	-	(21 631)	-	-	(21 631)	-
<b>Payments for capital assets</b>	<b>620</b>	-	-	-	(620)	-	-	(620)	-
Machinery and equipment	220	-	-	-	(220)	-	-	(220)	-
Software and other intangible assets	400	-	-	-	(400)	-	-	(400)	-
<b>Total</b>	<b>66 166</b>	-	-	-	(66 166)	-	-	(66 166)	-



## **Details of adjustments to the Estimates of National Expenditure 2014**

### **Funds shifted between votes following the transfer of a function – R208.164 million**

In accordance with the national macro organisation of the state, funds for the following functions have been transferred to the new Department of Planning, Monitoring and Evaluation:

Programme 1: Administration

R63.773 million

Programme 2: Outcomes Monitoring and Evaluation

R78.225 million

Programme 3: Institutional Performance Monitoring and Evaluation

R66.166 million



## Public Works

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>6 121 320</b>	<b>6 121 320</b>	-	-
<i>of which:</i>				
Current payments	2 962 023	3 027 775	-	65 752
Transfers and subsidies	2 563 353	2 563 905	-	552
Payments for capital assets	595 944	529 640	(66 304)	-
Executive authority	Minister of Public Works			
Accounting officer	Director-General of Public Works			
Website address	www.publicworks.gov.za			

### Aim

*Provide for and manage the accommodation, housing, land and infrastructure needs of national departments. Lead and direct the implementation of the national expanded public works programme. Promote growth, job creation and transformation in the construction and property industries.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of properties released for redistribution under the land reform programme per year	Immovable Asset Management	Outcome 7: Vibrant, equitable, sustainable rural communities with food security for all	40	1	-
Total number of properties for which information fields in the immovable asset register are compliant with generally recognised accounting practices	Immovable Asset Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	56 871	35 123	-
Number of expanded public works programme work opportunities created per year	Expanded Public Works Programme	Outcome 4: Decent employment through inclusive economic growth	1 075 189	423 387	-
Number of expanded public works programme work opportunities created by rural municipalities per year	Expanded Public Works Programme		700 000	318 089	-
Number of planned projects completed	Immovable Asset Management	Outcome 12: An efficient, effective and development oriented public service	542	85	-
Number of signed outcomes based facilities management contracts for state owned buildings per year	Immovable Asset Management		12	4	-
Number of buildings retrofitted in line with green building principles per year	Immovable Asset Management		300	0	-

#### Mid-year progress

Only 1 property of 8 995 hectares was approved for release for redistribution under the land reform programme in the first half of 2014/15. This underachievement is due to the lack of adequate information for processing claims and the resultant extensive consultations with stakeholders to obtain the necessary information for decision-making.

Many of the projects that were targeted for completion in 2014/15 were delayed due to protracted town planning processes arising from changes to the scope of projects, from maintenance to refurbishment. Furthermore, poor performance by some of the contractors responsible for planned projects resulted in delays and the termination of some contracts, and this negatively affected the achievement of targets.

The process of retrofitting 200 buildings with smart meters has begun, and installation audits have been conducted in the Durban regional office and Pietermaritzburg magistrate court buildings. The department will further receive 100 smart meters for retrofitting before the end of the financial year. The annual target of 300 buildings to be retrofitted in line with green building principles is expected to be met.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	1 175 346	-	-	15 231	-	-	-	15 231	1 190 577
Immovable Asset Management	2 861 387	-	-	(10 235)	-	-	-	(10 235)	2 851 152
Expanded Public Works Programme	1 951 295	-	-	-	-	-	-	-	1 951 295
Property and Construction Industry Policy Regulation	41 473	-	-	(5 127)	-	-	-	(5 127)	36 346
Auxiliary and Associated Services	91 819	-	-	131	-	-	-	131	91 950
<b>Total</b>	<b>6 121 320</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 121 320</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 962 023</b>	<b>-</b>	<b>-</b>	<b>65 752</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65 752</b>	<b>3 027 775</b>
Compensation of employees	1 659 885	-	-	7 912	-	-	-	7 912	1 667 797
Goods and services	1 302 138	-	-	57 840	-	-	-	57 840	1 359 978
<b>Transfers and subsidies</b>	<b>2 563 353</b>	<b>-</b>	<b>-</b>	<b>552</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>552</b>	<b>2 563 905</b>
Provinces and municipalities	1 201 520	-	-	-	-	-	-	-	1 201 520
Departmental agencies and accounts	802 761	-	-	(255)	-	-	-	(255)	802 506
Foreign governments and international organisations	21 741	-	-	807	-	-	-	807	22 548
Public corporations and private enterprises	50 000	-	-	-	-	-	-	-	50 000
Non-profit institutions	477 481	-	-	-	-	-	-	-	477 481
Households	9 850	-	-	-	-	-	-	-	9 850
<b>Payments for capital assets</b>	<b>595 944</b>	<b>-</b>	<b>-</b>	<b>(66 304)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(66 304)</b>	<b>529 640</b>
Buildings and other fixed structures	510 369	-	-	(94 304)	-	-	-	(94 304)	416 065
Machinery and equipment	79 232	-	-	28 000	-	-	-	28 000	107 232
Software and other intangible assets	6 343	-	-	-	-	-	-	-	6 343
<b>Total</b>	<b>6 121 320</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 121 320</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Ministry	31 278	-	-	-	-	-	-	-	31 278
Management	136 226	-	-	-	-	-	-	-	136 226
Corporate Services	510 648	-	-	45 362	-	-	-	45 362	556 010
Office Accommodation	497 194	-	-	(30 131)	-	-	-	(30 131)	467 063
<b>Total</b>	<b>1 175 346</b>	<b>-</b>	<b>-</b>	<b>15 231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 231</b>	<b>1 190 577</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 148 866</b>	<b>-</b>	<b>-</b>	<b>(23 004)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23 004)</b>	<b>1 125 862</b>
Compensation of employees	279 938	-	-	13 039	-	-	-	13 039	292 977
Goods and services	868 928	-	-	(36 043)	-	-	-	(36 043)	832 885
<b>Transfers and subsidies</b>	<b>1 195</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 195</b>
Provinces and municipalities	11	-	-	-	-	-	-	-	11
Households	1 184	-	-	-	-	-	-	-	1 184
<b>Payments for capital assets</b>	<b>25 285</b>	<b>-</b>	<b>-</b>	<b>38 235</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38 235</b>	<b>63 520</b>
Machinery and equipment	19 120	-	-	38 235	-	-	-	38 235	57 355
Software and other intangible assets	6 165	-	-	-	-	-	-	-	6 165
<b>Total</b>	<b>1 175 346</b>	<b>-</b>	<b>-</b>	<b>15 231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 231</b>	<b>1 190 577</b>

**Programme 2: Immovable Asset Management**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Infrastructure (Public Works)	510 369	-	-	-	-	-	-	-	510 369
Strategic Asset Investment Analysis	167 865	-	-	-	-	-	-	-	167 865
Operation Management	1 190 128	-	-	(10 235)	-	-	-	(10 235)	1 179 893
Prestige Management	40 133	-	-	-	-	-	-	-	40 133
Special Projects	102 046	-	-	-	-	-	-	-	102 046
Construction Industry Development Board	77 212	-	-	-	-	-	-	-	77 212
Council for the Built Environment	41 572	-	-	-	-	-	-	-	41 572
Parliamentary Village Management Board	8 690	-	-	-	-	-	-	-	8 690
Augmentation of the Property Management Trading Entity	673 372	-	-	-	-	-	-	-	673 372
Independent Development Trust	50 000	-	-	-	-	-	-	-	50 000
<b>Total</b>	<b>2 861 387</b>	<b>-</b>	<b>-</b>	<b>(10 235)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 235)</b>	<b>2 851 152</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 434 462</b>	<b>-</b>	<b>-</b>	<b>94 304</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94 304</b>	<b>1 528 766</b>
Compensation of employees	1 232 604	-	-	-	-	-	-	-	1 232 604
Goods and services	201 858	-	-	94 304	-	-	-	94 304	296 162
<b>Transfers and subsidies</b>	<b>859 177</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>859 177</b>
Provinces and municipalities	15	-	-	-	-	-	-	-	15
Departmental agencies and accounts	800 846	-	-	-	-	-	-	-	800 846
Public corporations and private enterprises	50 000	-	-	-	-	-	-	-	50 000
Households	8 316	-	-	-	-	-	-	-	8 316
<b>Payments for capital assets</b>	<b>567 748</b>	<b>-</b>	<b>-</b>	<b>(104 539)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(104 539)</b>	<b>463 209</b>
Buildings and other fixed structures	510 369	-	-	(94 304)	-	-	-	(94 304)	416 065
Machinery and equipment	57 201	-	-	(10 235)	-	-	-	(10 235)	46 966
Software and other intangible assets	178	-	-	-	-	-	-	-	178
<b>Total</b>	<b>2 861 387</b>	<b>-</b>	<b>-</b>	<b>(10 235)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 235)</b>	<b>2 851 152</b>

**Programme 4: Property and Construction Industry Policy Regulation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Construction Industry Development Programme	23 521	-	-	(2 176)	-	-	-	(2 176)	21 345
Property Industry Development Programme	17 952	-	-	(2 951)	-	-	-	(2 951)	15 001
<b>Total</b>	<b>41 473</b>	<b>-</b>	<b>-</b>	<b>(5 127)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 127)</b>	<b>36 346</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>41 141</b>	<b>-</b>	<b>-</b>	<b>(5 127)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 127)</b>	<b>36 014</b>
Compensation of employees	14 110	-	-	(5 127)	-	-	-	(5 127)	8 983
Goods and services	27 031	-	-	-	-	-	-	-	27 031
<b>Transfers and subsidies</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200</b>
Households	200	-	-	-	-	-	-	-	200
<b>Payments for capital assets</b>	<b>132</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132</b>
Machinery and equipment	132	-	-	-	-	-	-	-	132
<b>Total</b>	<b>41 473</b>	<b>-</b>	<b>-</b>	<b>(5 127)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 127)</b>	<b>36 346</b>

**Programme 5: Auxiliary and Associated Services**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
Compensation for Losses	421	-	-	(421)	-	-	-	(421)	-
Distress Relief	1	-	-	-	-	-	-	-	1
Assistance to Organisations for Preservation of National Memorials	21 741	-	-	807	-	-	-	807	22 548
State Functions	67 741	-	-	-	-	-	-	-	67 741
Sector Education and Training Authority	1 915	-	-	(255)	-	-	-	(255)	1 660
<b>Total</b>	<b>91 819</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>91 950</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>68 163</b>	<b>-</b>	<b>-</b>	<b>(421)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(421)</b>	<b>67 742</b>
Goods and services	68 163	-	-	(421)	-	-	-	(421)	67 742
<b>Transfers and subsidies</b>	<b>23 656</b>	<b>-</b>	<b>-</b>	<b>552</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>552</b>	<b>24 208</b>
Departmental agencies and accounts	1 915	-	-	(255)	-	-	-	(255)	1 660
Foreign governments and international organisations	21 741	-	-	807	-	-	-	807	22 548
<b>Total</b>	<b>91 819</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>91 950</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Virements and shifts**

Programmes					
1. Administration					
2. Immovable Asset Management					
3. Expanded Public Works Programme					
4. Property and Construction Industry Policy Regulation					
5. Auxiliary and Associated Services					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(36 043)</b>	<b>Programme 1</b>		<b>35 912</b>
Goods and services	Cost containment measures effected on agency and support staff costs	(7 912)	Compensation of employees	Insourcing of security services <sup>1</sup>	7 912
	Cost containment measures effected on agency and support staff costs	(28 000)	Machinery and equipment	ICT infrastructure enhancement	28 000
	Cost containment measures effected on operating leases	(131)	<b>Programme 5</b>		<b>131</b>
			Foreign governments and international organisations	Shortfall due to the depreciation of the Rand	131
Shifts within the programme as a percentage of the programme budget		3.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 2</b>		<b>(104 539)</b>	<b>Programme 1</b>		<b>10 235</b>
Machinery and equipment	Reallocation of funds from computer hardware and software	(10 235)	Machinery and equipment	Centralisation of the procurement of ICT infrastructure	10 235
			<b>Programme 2</b>		<b>94 304</b>
Buildings and other fixed structures	Reclassification of items due to the maintenance budget incorrectly classified as capital expenditure in the 2014 ENE <sup>1</sup>	(94 304)	Goods and services	Reclassification of items due to the maintenance budget incorrectly classified as capital expenditure in the 2014 ENE	94 304
Shifts within the programme as a percentage of the programme budget		3.3%			
Virements to other programmes as a percentage of the programme budget		0.4%			
<b>Programme 4</b>		<b>(5 127)</b>	<b>Programme 1</b>		<b>5 127</b>
Compensation of employees	Alignment of funds to follow the movement of personnel between programmes	(5 127)	Compensation of employees	Alignment of funds to follow the movement of personnel between programmes	5 127
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget <sup>2</sup>		12.4%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>		<b>(676)</b>	<b>Programme 5</b>		<b>676</b>
Goods and services	Cost containment measures effected on administrative fees	(421)	Foreign governments and international organisations	Shortfall due to the depreciation of the Rand	421
Departmental agencies and accounts	Cost containment measures effected on the Construction Sector Education and Training Authority <sup>1</sup>	(255)	Foreign governments and international organisations	Shortfall due to the depreciation of the Rand	255
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(146 385)</b>			<b>146 385</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	adjusted % of appropriation	Apr 13 - Mar 14	adjusted % of appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted % of appropriation	
Administration	1 158 162	403 817	34.9	1 099 051	94.9	1 190 577	19.4	560 400	47.1	
Immovable Asset Management	2 981 770	1 245 795	41.8	2 862 229	96.0	2 851 152	46.6	1 392 023	48.8	
Expanded Public Works Programme	1 947 969	962 328	49.4	1 931 690	99.2	1 951 295	31.9	964 084	49.4	
Property and Construction Industry Policy Regulation	36 682	19 786	53.9	32 758	89.3	36 346	0.6	19 150	52.7	
Auxiliary and Associated Services	50 678	30 018	59.2	96 926	191.3	91 950	1.5	78 185	85.0	
<b>Total</b>	<b>6 175 261</b>	<b>2 661 744</b>	<b>43.1</b>	<b>6 022 654</b>	<b>97.5</b>	<b>6 121 320</b>	<b>100.0</b>	<b>3 013 842</b>	<b>49.2</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>2 853 020</b>	<b>1 142 098</b>	<b>40.0</b>	<b>2 787 252</b>	<b>97.7</b>	<b>3 027 775</b>	<b>49.5</b>	<b>1 406 068</b>	<b>46.4</b>	
Compensation of employees	1 473 467	707 301	48.0	1 471 497	99.9	1 667 797	27.2	771 488	46.3	
Goods and services	1 379 553	434 797	31.5	1 315 755	95.4	1 359 978	22.2	634 576	46.7	
Interest and rent on land	-	-	0.0	-	0.0	-	0.0	4	0.0	
<b>Transfers and subsidies</b>	<b>2 543 889</b>	<b>1 345 426</b>	<b>52.9</b>	<b>2 596 554</b>	<b>102.1</b>	<b>2 563 905</b>	<b>41.9</b>	<b>1 406 920</b>	<b>54.9</b>	
Provinces and municipalities	1 225 778	629 882	51.4	1 221 445	99.6	1 201 520	19.6	619 024	51.5	
Departmental agencies and accounts	803 694	404 571	50.3	802 412	99.8	802 506	13.1	445 004	55.5	
Foreign governments and international organisations	20 510	17 555	85.6	17 555	85.6	22 548	0.4	22 548	100.0	
Public corporations and private enterprises	50 025	50 000	100.0	100 000	199.9	50 000	0.8	50 000	100.0	
Non-profit institutions	438 281	240 496	54.9	448 679	102.4	477 481	7.8	262 198	54.9	
Households	5 601	2 922	52.2	6 463	115.4	9 850	0.2	8 146	82.7	
<b>Payments for capital assets</b>	<b>778 352</b>	<b>174 220</b>	<b>22.4</b>	<b>631 060</b>	<b>81.1</b>	<b>529 640</b>	<b>8.7</b>	<b>200 854</b>	<b>37.9</b>	
Buildings and other fixed structures	676 206	141 349	20.9	567 365	83.9	416 065	6.8	152 987	36.8	
Machinery and equipment	90 912	27 796	30.6	47 511	52.3	107 232	1.8	47 851	44.6	
Software and other intangible assets	11 234	5 075	45.2	16 184	144.1	6 343	0.1	16	0.3	
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>7 788</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	
<b>Total</b>	<b>6 175 261</b>	<b>2 661 744</b>	<b>43.1</b>	<b>6 022 654</b>	<b>97.5</b>	<b>6 121 320</b>	<b>100.0</b>	<b>3 013 842</b>	<b>49.2</b>	

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 97.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R3.014 billion, or 49.2 per cent of the adjusted appropriation of R6.121 billion for the year. In comparison, mid-year expenditure in 2013/14 was R2.662 billion, or

43.1 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R352.098 million, or 13.2 per cent. This was mainly due to spending on some of the turnaround projects that were due for completion in the first half of the financial year, such as the clean audit project; spending on office accommodation after billing discrepancies between the department and the property management trading entity were resolved; and spending on state functions including the presidential inauguration and the opening of the 5<sup>th</sup> Parliament.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome		Apr 13 - Mar 14		Budget estimate	Actual receipts		Apr 14 - Sep 14 adjusted estimate	
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)		
<b>Departmental receipts</b>	<b>12 388</b>	<b>6 168</b>	<b>49.8</b>	<b>55 470</b>	<b>447.8</b>	<b>13 238</b>	<b>13 238</b>	<b>100.0</b>	<b>8 033</b>	<b>60.7</b>
Sales of goods and services produced by department	4 594	2 337	50.9	3 855	83.9	4 803	7 303	55.2	3 981	54.5
Sales of scrap, waste, arms and other used current goods	144	1	0.7	4	2.8	402	402	3.0	55	13.7
Fines, penalties and forfeits	–	5	0.0	4	0.0	–	–	0.0	–	0.0
Interest, dividends and rent on land	5 702	2 851	50.0	1 326	23.3	5 987	100	0.8	55	55.0
Sales of capital assets	–	–	0.0	77	0.0	–	–	0.0	–	0.0
Transactions in financial assets and liabilities	1 948	974	50.0	50 204	2 577.2	2 046	5 433	41.0	3 942	72.6
<b>Total</b>	<b>12 388</b>	<b>6 168</b>	<b>49.8</b>	<b>55 470</b>	<b>447.8</b>	<b>13 238</b>	<b>13 238</b>	<b>100.0</b>	<b>8 033</b>	<b>60.7</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R8.033 million, or 60.7 per cent of the adjusted revenue estimate of R13.238 million for the year. In comparison, mid-year revenue in 2013/14 was R6.168 million, or 49.8 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R1.865 million, or 30.2 per cent. This was mainly due to money collected from the increased sale of tender documents, and recoveries on expenditure on overpayments made in previous financial years.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Auxiliary and Associated Services</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>1 915</b>	–	–	(255)	–	–	–	(255)	<b>1 660</b>
Construction Education and Training Authority	1 915	–	–	(255)	–	–	–	(255)	1 660
<b>Foreign governments and international organisations</b>									
<b>Current</b>	<b>21 741</b>	–	–	807	–	–	–	807	<b>22 548</b>
Commonwealth War Graves Commission	21 741	–	–	807	–	–	–	807	22 548



# Vote 8

## Women, Children and People with Disabilities

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>218 530</b>	-	(218 530)	-
<i>of which:</i>				
Current payments	147 281	-	(147 281)	-
Transfers and subsidies	67 241	-	(67 241)	-
Payments for capital assets	4 008	-	(4 008)	-
Executive authority	Minister of Women, Children and People with Disabilities			
Accounting officer	Director-General of Women, Children and People with Disabilities			
Website address	www.dwcpd.gov.za			

### Aim

*Drive, accelerate and oversee government's equity, equality and empowerment agenda on women, children and people with disabilities, especially in poor and rural communities.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the Department of Women, Children and People with Disabilities ceases to exist. Certain functions of the department move to the new Department of Women and others are allocated to the Department of Social Development. The *Women Empowerment and Gender Equality* programme is taken over by the new Department of Women, while the *Children's Rights and Responsibilities* and *Rights for People with Disabilities* programmes is taken over by the Department of Social Development.

A large portion of the *Administration* programme is taken over by the new Department of Women, while the remainder is transferred to the Department of Social Development to provide a support function to core function personnel that are being transferred to that department, in line with the function shift principles.

### Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	96 365	-	-	-	(96 365)	-	-	(96 365)	-
Women Empowerment and Gender Equality	92 250	-	-	-	(92 250)	-	-	(92 250)	-
Children's Rights and Responsibilities	11 550	-	-	-	(11 550)	-	-	(11 550)	-
Rights of People with Disabilities	18 365	-	-	-	(18 365)	-	-	(18 365)	-
<b>Total</b>	<b>218 530</b>	-	-	-	<b>(218 530)</b>	-	-	<b>(218 530)</b>	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>147 281</b>	-	-	-	<b>(147 281)</b>	-	-	<b>(147 281)</b>	-
Compensation of employees	84 638	-	-	-	(84 638)	-	-	(84 638)	-
Goods and services	62 643	-	-	-	(62 643)	-	-	(62 643)	-

2014 Adjusted Estimates of National Expenditure

Economic Classification	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
<b>Transfers and subsidies</b>	<b>67 241</b>	-	-	-	<b>(67 241)</b>	-	-	<b>(67 241)</b>	-
Provinces and municipalities	6	-	-	-	(6)	-	-	(6)	-
Departmental agencies and accounts	67 235	-	-	-	(67 235)	-	-	(67 235)	-
<b>Payments for capital assets</b>	<b>4 008</b>	-	-	-	<b>(4 008)</b>	-	-	<b>(4 008)</b>	-
Machinery and equipment	4 008	-	-	-	(4 008)	-	-	(4 008)	-
<b>Total</b>	<b>218 530</b>	-	-	-	<b>(218 530)</b>	-	-	<b>(218 530)</b>	-

**Programme 1: Administration**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
Ministry	23 084	-	-	-	(23 084)	-	-	(23 084)	-
Management	20 068	-	-	-	(20 068)	-	-	(20 068)	-
Corporate Services	39 197	-	-	-	(39 197)	-	-	(39 197)	-
Office Accommodation	14 016	-	-	-	(14 016)	-	-	(14 016)	-
<b>Total</b>	<b>96 365</b>	-	-	-	<b>(96 365)</b>	-	-	<b>(96 365)</b>	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>93 403</b>	-	-	-	<b>(93 403)</b>	-	-	<b>(93 403)</b>	-
Compensation of employees	59 492	-	-	-	(59 492)	-	-	(59 492)	-
Goods and services	33 911	-	-	-	(33 911)	-	-	(33 911)	-
<b>Transfers and subsidies</b>	<b>6</b>	-	-	-	<b>(6)</b>	-	-	<b>(6)</b>	-
Provinces and municipalities	6	-	-	-	(6)	-	-	(6)	-
<b>Payments for capital assets</b>	<b>2 956</b>	-	-	-	<b>(2 956)</b>	-	-	<b>(2 956)</b>	-
Machinery and equipment	2 956	-	-	-	(2 956)	-	-	(2 956)	-
<b>Total</b>	<b>96 365</b>	-	-	-	<b>(96 365)</b>	-	-	<b>(96 365)</b>	-

**Programme 2: Women Empowerment and Gender Equality**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
Advocacy and Mainstreaming for Gender Equality	11 884	-	-	-	(11 884)	-	-	(11 884)	-
Institutional Support and Capacity Building for Gender Equality	4 668	-	-	-	(4 668)	-	-	(4 668)	-
Monitoring and Evaluation for Gender Equality	8 463	-	-	-	(8 463)	-	-	(8 463)	-
Commission for Gender Equality	67 235	-	-	-	(67 235)	-	-	(67 235)	-
<b>Total</b>	<b>92 250</b>	-	-	-	<b>(92 250)</b>	-	-	<b>(92 250)</b>	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>24 546</b>	-	-	-	<b>(24 546)</b>	-	-	<b>(24 546)</b>	-
Compensation of employees	10 068	-	-	-	(10 068)	-	-	(10 068)	-
Goods and services	14 478	-	-	-	(14 478)	-	-	(14 478)	-
<b>Transfers and subsidies</b>	<b>67 235</b>	-	-	-	<b>(67 235)</b>	-	-	<b>(67 235)</b>	-
Departmental agencies and accounts	67 235	-	-	-	(67 235)	-	-	(67 235)	-

**Programme 2: Women Empowerment and Gender Equality (continued)**

Economic Classification		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/Unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Payments for capital assets	469	-	-	-	(469)	-	-	(469)	-
Machinery and equipment	469	-	-	-	(469)	-	-	(469)	-
<b>Total</b>	<b>92 250</b>	-	-	-	<b>(92 250)</b>	-	-	<b>(92 250)</b>	-

**Programme 3: Children's Rights and Responsibilities**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/Unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Advocacy and Mainstreaming for the Promotion and Protection of Children's Rights	4 577	-	-	-	(4 577)	-	-	(4 577)	-
Institutional Support and Capacity Building for the Promotion and Protection of Children's Rights	3 059	-	-	-	(3 059)	-	-	(3 059)	-
Monitoring and Evaluation for the Promotion and Protection of Children's Rights	3 914	-	-	-	(3 914)	-	-	(3 914)	-
<b>Total</b>	<b>11 550</b>	-	-	-	<b>(11 550)</b>	-	-	<b>(11 550)</b>	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>11 325</b>	-	-	-	<b>(11 325)</b>	-	-	<b>(11 325)</b>	-
Compensation of employees	5 230	-	-	-	(5 230)	-	-	(5 230)	-
Goods and services	6 095	-	-	-	(6 095)	-	-	(6 095)	-
<b>Payments for capital assets</b>	<b>225</b>	-	-	-	<b>(225)</b>	-	-	<b>(225)</b>	-
Machinery and equipment	225	-	-	-	(225)	-	-	(225)	-
<b>Total</b>	<b>11 550</b>	-	-	-	<b>(11 550)</b>	-	-	<b>(11 550)</b>	-

**Programme 4: Rights of People with Disabilities**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/Unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Advocacy and Mainstreaming for the Equalisation of Opportunities for Persons with Disabilities	4 374	-	-	-	(4 374)	-	-	(4 374)	-
Institutional Support and Capacity Building for the Equalisation of Opportunities for Persons with Disabilities	6 550	-	-	-	(6 550)	-	-	(6 550)	-
Monitoring and Evaluation for the Equalisation of Opportunities for Persons with Disabilities	7 441	-	-	-	(7 441)	-	-	(7 441)	-
<b>Total</b>	<b>18 365</b>	-	-	-	<b>(18 365)</b>	-	-	<b>(18 365)</b>	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>18 007</b>	-	-	-	<b>(18 007)</b>	-	-	<b>(18 007)</b>	-
Compensation of employees	9 848	-	-	-	(9 848)	-	-	(9 848)	-
Goods and services	8 159	-	-	-	(8 159)	-	-	(8 159)	-

**Programme 4: Rights of People with Disabilities (continued)**

Economic Classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/Unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Payments for capital assets	358	-	-	-	(358)	-	-	(358)	-
Machinery and equipment	358	-	-	-	(358)	-	-	(358)	-
<b>Total</b>	<b>18 365</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18 365)</b>	<b>-</b>	<b>-</b>	<b>(18 365)</b>	<b>-</b>

**Details of adjustments to the Estimates of National Expenditure 2014**

**Funds shifted between votes following the transfer of a function – R218.530 million**

Programme 1: Administration

R92.514 million has been transferred to the new Department of Women, which is operational with effect from 1 October 2014.

R3.851 million has been transferred to the Department of Social Development.

Programme 2: Women Empowerment and Gender Equality

R92.250 million has been transferred to the new Department of Women.

Programme 3: Children's Rights and Responsibilities

R11.550 million has been transferred to the Department of Social Development.

Programme 4: Rights of People with Disabilities

R18.365 million has been transferred to the Department of Social Development.

**Changes to transfers and subsidies, including conditional grants**

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

Economic Classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration									
Provinces and municipalities									
Municipalities									
Municipal bank accounts									
Current	6	-	-	-	(6)	-	-	(6)	-
Vehicle licences	6	-	-	-	(6)	-	-	(6)	-
Women Empowerment and Gender Equality									
Departmental agencies and accounts									
Departmental agencies (non-business entities)									
Current	67 235	-	-	-	(67 235)	-	-	(67 235)	-
Commission for Gender Equality	67 235	-	-	-	(67 235)	-	-	(67 235)	-

## Government Communication and Information System

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>413 069</b>	<b>425 069</b>	–	12 000
<b>of which:</b>				
Current payments	387 976	398 610	–	10 634
Transfers and subsidies	21 841	22 434	–	593
Payments for capital assets	3 252	4 025	–	773
Executive authority	Minister of Communications			
Accounting officer	Chief Executive Officer Government Communication and Information System			
Website address	www.gcis.gov.za			

### Aim

*Provide a comprehensive communication service on behalf of government to facilitate the involvement of the majority of South Africans in governance, reconstruction and development, nation building, and reconciliation.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the Government Communication and Information System will cease to exist. The department's operational functions will shift to the reconstituted Department of Communications.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of cluster reports on perceptions on government delivery and performance reports per year issued	Content Processing and Dissemination	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	14	6	–
Number of copies of Vuk'uzenzele newspaper published per year	Content Processing and Dissemination		20.4 million	10.5 million	–
Number of media briefings requests per year	Intergovernmental Coordination and Stakeholder Management		100	105	–
Number of community and stakeholder liaison visits per year	Intergovernmental Coordination and Stakeholder Management		2 750	1 281	–
Number of development communication projects aligned to the government communication programme per year	Intergovernmental Coordination and Stakeholder Management		2 184	1 117	–
Number of rapid response facilitated reports per year	Intergovernmental Coordination and Stakeholder Management		311	13	–
Number of marketing events per Thusong service centre per year	Intergovernmental Coordination and Stakeholder Management		484	374	–

2014 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of radio advertisements and dramas produced per year	Communication Service Agency	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	48	21	-
Number of video programmes produced per year	Communication Service Agency		120	167	-
Number of requests for photographic coverage handled per year	Communication Service Agency		500	300	-
Number of live broadcasts on community radio stations per year	Communication Service Agency		54	48	-
Number of government and national events covered on video per year	Communication Service Agency		400	268	-
Number of graphic designs produced per year	Communication Service Agency		160	175	-

Mid-year progress

The higher than anticipated number of media briefings is mainly due to a number of emergency briefings that were organised in relation to the Nigerian church building collapse disaster and the Ebola virus health scare. The increase in the number of marketing events per Thusong service centre is due to the use of new platforms such as community media and open week campaigns to promote the centres. The target for the number of video programmes produced has been exceeded due to more requests from departments. The department is likely to produce 342 video programmes by the end of 2014/15.

The annual target for the number of graphic designs has already been exceeded due to more requests from departments, and this trend is likely to continue in the second half of 2014/15. Fewer rapid response facilitated reports were completed in the first half of 2014/15 as the reports are now completed bi-weekly for the minister, instead of daily.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	141 388	-	12 000	368	-	-	-	12 368	153 756
Content Processing and Dissemination	99 928	-	-	(5 120)	-	-	-	(5 120)	94 808
Intergovernmental Coordination and Stakeholder Management	121 654	-	-	(189)	-	-	-	(189)	121 465
Communication Service Agency	50 099	-	-	4 941	-	-	-	4 941	55 040
<b>Total</b>	<b>413 069</b>	<b>-</b>	<b>12 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 000</b>	<b>425 069</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>387 976</b>	<b>-</b>	<b>12 000</b>	<b>(1 366)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 634</b>	<b>398 610</b>
Compensation of employees	200 115	-	12 000	(45)	-	-	-	11 955	212 070
Goods and services	187 861	-	-	(1 321)	-	-	-	(1 321)	186 540
<b>Transfers and subsidies</b>	<b>21 841</b>	<b>-</b>	<b>-</b>	<b>593</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>593</b>	<b>22 434</b>
Departmental agencies and accounts	21 841	-	-	548	-	-	-	548	22 389
Households	-	-	-	45	-	-	-	45	45
<b>Payments for capital assets</b>	<b>3 252</b>	<b>-</b>	<b>-</b>	<b>773</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>773</b>	<b>4 025</b>
Machinery and equipment	3 002	-	-	773	-	-	-	773	3 775
Software and other intangible assets	250	-	-	-	-	-	-	-	250
<b>Total</b>	<b>413 069</b>	<b>-</b>	<b>12 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 000</b>	<b>425 069</b>

**Programme 1: Administration**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other Adjustments		
R thousand									
Departmental Management	7 285	-	12 000	(14)	-	-	-	11 986	19 271
Corporate Services	56 430	-	-	449	-	-	-	449	56 879
Financial Administration	28 888	-	-	(56)	-	-	-	(56)	28 832
Internal Audit	6 605	-	-	(11)	-	-	-	(11)	6 594
Office Accommodation	42 180	-	-	-	-	-	-	-	42 180
<b>Total</b>	<b>141 388</b>	<b>-</b>	<b>12 000</b>	<b>368</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 368</b>	<b>153 756</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>140 297</b>	<b>-</b>	<b>12 000</b>	<b>(409)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11 591</b>	<b>151 888</b>
Compensation of employees	60 913	-	12 000	(3)	-	-	-	11 997	72 910
Goods and services	79 384	-	-	(406)	-	-	-	(406)	78 978
<b>Transfers and subsidies</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>544</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>544</b>	<b>568</b>
Departmental agencies and accounts	24	-	-	541	-	-	-	541	565
Households	-	-	-	3	-	-	-	3	3
<b>Payments for capital assets</b>	<b>1 067</b>	<b>-</b>	<b>-</b>	<b>233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>233</b>	<b>1 300</b>
Machinery and equipment	1 067	-	-	233	-	-	-	233	1 300
<b>Total</b>	<b>141 388</b>	<b>-</b>	<b>12 000</b>	<b>368</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 368</b>	<b>153 756</b>

**Programme 2: Content Processing and Dissemination**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other Adjustments		
R thousand									
Programme Management for Content Processing and Dissemination	3 022	-	-	(7)	-	-	-	(7)	3 015
Policy and Research	35 661	-	-	(555)	-	-	-	(555)	35 106
Products and Platforms	61 245	-	-	(4 558)	-	-	-	(4 558)	56 687
<b>Total</b>	<b>99 928</b>	<b>-</b>	<b>-</b>	<b>(5 120)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 120)</b>	<b>94 808</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>99 826</b>	<b>-</b>	<b>-</b>	<b>(5 541)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 541)</b>	<b>94 285</b>
Compensation of employees	45 362	-	-	(12)	-	-	-	(12)	45 350
Goods and services	54 464	-	-	(5 529)	-	-	-	(5 529)	48 935
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>12</b>
Households	-	-	-	12	-	-	-	12	12
<b>Payments for capital assets</b>	<b>102</b>	<b>-</b>	<b>-</b>	<b>409</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>409</b>	<b>511</b>
Machinery and equipment	102	-	-	409	-	-	-	409	511
<b>Total</b>	<b>99 928</b>	<b>-</b>	<b>-</b>	<b>(5 120)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 120)</b>	<b>94 808</b>

**Programme 3: Intergovernmental Coordination and Stakeholder Management**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other Adjustments		
R thousand									
Programme Management for Intergovernmental Coordination and Stakeholder Management	2 432	-	-	195	-	-	-	195	2 627
Provincial and Local Liaison	73 507	-	-	(136)	-	-	-	(136)	73 371
Media Engagement	14 371	-	-	(227)	-	-	-	(227)	14 144
Media Development and Diversity Agency	21 815	-	-	-	-	-	-	-	21 815
Cluster Supervision (Human Development, Social Protection and Governance and Administration)	4 946	-	-	(11)	-	-	-	(11)	4 935
Cluster Supervision (Economic and Infrastructure, Justice and International)	4 583	-	-	(10)	-	-	-	(10)	4 573
<b>Total</b>	<b>121 654</b>	<b>-</b>	<b>-</b>	<b>(189)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(189)</b>	<b>121 465</b>

**Programme 3: Intergovernmental Coordination and Stakeholder Management (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>99 277</b>	-	-	(357)	-	-	-	(357)	<b>98 920</b>
Compensation of employees	71 528	-	-	(30)	-	-	-	(30)	71 498
Goods and services	27 749	-	-	(327)	-	-	-	(327)	27 422
<b>Transfers and subsidies</b>	<b>21 817</b>	-	-	37	-	-	-	37	<b>21 854</b>
Departmental agencies and accounts	21 817	-	-	7	-	-	-	7	21 824
Households	-	-	-	30	-	-	-	30	30
<b>Payments for capital assets</b>	<b>560</b>	-	-	131	-	-	-	131	<b>691</b>
Machinery and equipment	560	-	-	131	-	-	-	131	691
<b>Total</b>	<b>121 654</b>	-	-	(189)	-	-	-	(189)	<b>121 465</b>

**Programme 4: Communication Service Agency**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Marketing, Advertising and Media Buying	28 617	-	-	4 565	-	-	-	4 565	33 182
Media Production	21 482	-	-	376	-	-	-	376	21 858
<b>Total</b>	<b>50 099</b>	-	-	<b>4 941</b>	-	-	-	<b>4 941</b>	<b>55 040</b>
<b>Economic classification</b>	<b>48 576</b>	-	-	<b>4 941</b>	-	-	-	<b>4 941</b>	<b>53 517</b>
Compensation of employees	22 312	-	-	-	-	-	-	-	22 312
Goods and services	26 264	-	-	4 941	-	-	-	4 941	31 205
<b>Payments for capital assets</b>	<b>1 523</b>	-	-	-	-	-	-	-	<b>1 523</b>
Machinery and equipment	1 273	-	-	-	-	-	-	-	1 273
Software and other intangible assets	250	-	-	-	-	-	-	-	250
<b>Total</b>	<b>50 099</b>	-	-	<b>4 941</b>	-	-	-	<b>4 941</b>	<b>55 040</b>

**Details of adjustments to the Estimates of National Expenditure 2014**

**Unforeseeable and unavoidable expenditure – R12 million**

Programme 1: Administration

R12 million has been allocated to the ministry for the reconstituted Department of Communications to provide for a ministry and deputy ministry.

**Virements and shifts**

Programmes					
1. Administration					
2. Content Processing and Dissemination					
3. Intergovernmental Coordination and Stakeholder Management					
4. Communication Service Agency					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(409)</b>	<b>Programme 1</b>		<b>409</b>
Goods and services	Cost containment measures effected on non-core items	(233)	Machinery and equipment	Computer processing units, laptops, desktop printers and tablets	233
	Cost containment measures effected on training and staff development	(11)	Departmental agencies and accounts	Projected shortfalls in television licence fees due to an increased number of television sets <sup>1</sup>	11



Vote 9: Government Communication and Information System

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Reallocation of funds for training and staff development	(162)	Departmental agencies and accounts	Transfer payments to the Public Service Sector Education and Training Authority based on the directive from the Department of Public Service and Administration <sup>1</sup>	162
Compensation of employees	Vacant posts	(3)	Households	Leave gratuities	3
Shifts within the programme as a percentage of the programme budget		0.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(5 541)</b>	<b>Programme 1</b>		<b>120</b>
Goods and services	Reallocation of funds for training and staff development	(120)	Departmental agencies and accounts	Transfer payments to the Public Service Sector Education and Training Authority based on the directive from the Department of Public Service and Administration <sup>1</sup>	120
	Cost containment measures effected on the use of contractors, graphic designers, volunteer workers, as well operating payments; equipment and office furniture less than R5 000; travelling and subsistence; training and staff development	(409)	<b>Programme 2</b>		<b>409</b>
	Cost containment measures effected on advertising, printing and publication services	(2 000)	Machinery and equipment	Television sets, computer processing units, laptops, desktop printers, and tablets	409
	Cost containment measures effected on advertising, printing and publication services	(3 000)	<b>Programme 4</b>		<b>5 000</b>
Compensation of employees	Vacant posts	(12)	Goods and services	Projected shortfalls in the costs of distribution of the South Africa Yearbook and Pocket Guide to South Africa	2 000
Shifts within the programme as a percentage of the programme budget		0.4%		Projected shortfalls in communication and marketing costs related to the 2014 presidential inauguration	3 000
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>5.1%</b>	<b>Programme 2</b>		<b>12</b>
<b>Programme 3</b>		<b>(357)</b>	Households	Leave gratuities	12
Goods and services	Reallocation of funds for training and staff development	(189)	<b>Programme 1</b>		<b>189</b>
	Cost containment measures effected on consumables: groceries; communication: satellite signals; stationery, and operating leases	(131)	Departmental agencies and accounts	Transfer payments to the Public Service Sector Education and Training Authority based on the directive from the Department of Public Service and Administration <sup>1</sup>	189
	Cost containment measures effected on training and staff development; stationery, and advertising	(7)	<b>Programme 3</b>		<b>168</b>
Compensation of employees	Vacant posts	(30)	Machinery and equipment	Laptops and desktop printers	131
Shifts within the programme as a percentage of the programme budget		0.1%	Departmental agencies and accounts	Projected shortfalls in television licence fees due to an increased number of television sets <sup>1</sup>	7
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.2%</b>	Households	Leave gratuities	30

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(59)</b>	<b>Programme 1</b>		<b>59</b>
Goods and services	Reallocation of funds for training and staff development	(59)	Departmental agencies and accounts	Transfer payments to the Public Service Sector Education and Training Authority based on the directive from the Department of Public Service and Administration <sup>1</sup>	59
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
<b>Total</b>		<b>(6 366)</b>			<b>6 366</b>

1. National Treasury approval has been obtained.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
Administration	181 446	106 179	58.5	184 457	101.7	153 756	36.2	73 382	47.7
Content Processing and Dissemination	89 304	37 728	42.2	82 600	92.5	94 808	22.3	37 860	39.9
Intergovernmental Coordination and Stakeholder Management	118 249	67 166	56.8	120 566	102.0	121 465	28.6	68 459	56.4
Communication Service Agency	48 218	18 845	39.1	53 290	110.5	55 040	12.9	29 228	53.1
<b>Total</b>	<b>437 217</b>	<b>229 918</b>	<b>52.6</b>	<b>440 913</b>	<b>100.8</b>	<b>425 069</b>	<b>100.0</b>	<b>208 929</b>	<b>49.2</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>378 110</b>	<b>183 147</b>	<b>48.4</b>	<b>373 179</b>	<b>98.7</b>	<b>398 610</b>	<b>93.8</b>	<b>182 874</b>	<b>45.9</b>
Compensation of employees	188 703	89 702	47.5	182 247	96.6	212 070	49.9	99 028	46.7
Goods and services	189 407	93 445	49.3	190 932	100.8	186 540	43.9	83 846	44.9
<b>Transfers and subsidies</b>	<b>21 128</b>	<b>21 188</b>	<b>100.3</b>	<b>21 626</b>	<b>102.4</b>	<b>22 434</b>	<b>5.3</b>	<b>22 275</b>	<b>99.3</b>
Departmental agencies and accounts	20 809	20 791	99.9	20 837	100.1	22 389	5.3	22 083	98.6
Households	319	397	124.5	789	247.3	45	0.0	192	426.7
<b>Payments for capital assets</b>	<b>37 979</b>	<b>25 535</b>	<b>67.4</b>	<b>45 967</b>	<b>121.0</b>	<b>4 025</b>	<b>0.9</b>	<b>3 755</b>	<b>93.3</b>
Buildings and other fixed structures	36 088	24 391	67.6	26 224	72.7	-	0.0	-	0.0
Machinery and equipment	1 601	1 026	64.1	19 743	1 233.2	3 775	0.9	3 755	99.5
Software and other intangible assets	290	118	40.7	-	0.0	250	0.1	-	0.0
<b>Payments for financial assets</b>	<b>-</b>	<b>48</b>	<b>0.0</b>	<b>141</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>25</b>	<b>0.0</b>
<b>Total</b>	<b>437 217</b>	<b>229 918</b>	<b>52.6</b>	<b>440 913</b>	<b>100.8</b>	<b>425 069</b>	<b>100.0</b>	<b>208 929</b>	<b>49.2</b>

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 100.8 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R208.929 million, or 49.2 per cent of the adjusted appropriation of R425.069 million for the year. In comparison, mid-year expenditure in 2013/14 was R229.918 million, or 52.6 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R20.989 million, or 9.1 per cent. This was mainly due to new building costs, the installation of data lines, and the purchase of office furniture for the new head office that was completed in 2013/14.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>904</b>	<b>491</b>	<b>54.3</b>	<b>874</b>	<b>96.7</b>	<b>792</b>	<b>803</b>	<b>100.0</b>	<b>439</b>	<b>54.7</b>
Sales of goods and services produced by department	294	105	35.7	237	80.6	302	321	40.0	198	61.7
Sales of scrap, waste, arms and other used current goods	-	-	0.0	-	0.0	-	2	0.2	1	50.0
Interest, dividends and rent on land	120	37	30.8	79	65.8	140	122	15.2	61	50.0
Transactions in financial assets and liabilities	490	349	71.2	558	113.9	350	358	44.6	179	50.0
<b>Total</b>	<b>904</b>	<b>491</b>	<b>54.3</b>	<b>874</b>	<b>96.7</b>	<b>792</b>	<b>803</b>	<b>100.0</b>	<b>439</b>	<b>54.7</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R439 000, or 54.7 per cent of the adjusted revenue estimate of R803 000 for the year. In comparison, mid-year revenue in 2013/14 was R491 000, or 54.3 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R52 000, or 10.6 per cent. This was mainly due to less revenue collected in financial transactions in assets and liabilities as a result of less outstanding debt owed by staff on non-contractual debts.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15 Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
	<b>24</b>	-	-	<b>541</b>	-	-	-	<b>541</b>	<b>565</b>
Communication	24	-	-	11	-	-	-	11	35
Public Service Sector	-	-	-	530	-	-	-	530	530
Education and Training Authority									
<b>Households</b>									
<b>Social benefits</b>									
	-	-	-	<b>3</b>	-	-	-	<b>3</b>	<b>3</b>
Employee social benefits	-	-	-	3	-	-	-	3	3
<b>Content Processing and Dissemination</b>									
<b>Households</b>									
<b>Social benefits</b>									
	-	-	-	<b>12</b>	-	-	-	<b>12</b>	<b>12</b>
Employee social benefits	-	-	-	12	-	-	-	12	12
<b>Intergovernmental</b>									
<b>Coordination and Stakeholder Management</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
	<b>2</b>	-	-	<b>7</b>	-	-	-	<b>7</b>	<b>9</b>
Communication	2	-	-	7	-	-	-	7	9
<b>Households</b>									
<b>Social benefits</b>									
	-	-	-	<b>30</b>	-	-	-	<b>30</b>	<b>30</b>
Employee social benefits	-	-	-	30	-	-	-	30	30



## National Treasury

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>27 265 010</b>	<b>26 703 923</b>	(561 087)	–
<b>of which:</b>				
Current payments	1 570 891	1 498 528	(72 363)	–
Transfers and subsidies	21 938 093	21 381 994	(556 099)	–
Payments for capital assets	185 517	183 749	(1 768)	–
Payments for financial assets	3 570 509	3 639 652	–	69 143
<b>Direct charge against the National Revenue Fund</b>	<b>487 558 760</b>	<b>487 454 126</b>	<b>(104 634)</b>	<b>–</b>
Executive authority	Minister of Finance			
Accounting officer	Director-General of the National Treasury			
Website address	www.treasury.gov.za			

### Aim

*Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, maintenance of macroeconomic and financial sector stability, and effective financial regulation of the economy.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Net loan debt as a percentage of GDP	Asset and Liability Management	Outcome 4: Decent employment through inclusive economic growth	41.9% (R1 589.2bn)	41.0% (R1 522.1bn)	42.8% (R1 588.6bn)
Value of government gross annual borrowing	Asset and Liability Management		R230bn	R177bn	R228bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		3.0% (R114.9bn)	1.5% (R56.6bn)	3.1% (R114.5bn)
Number of training courses and workshops presented on the implementation of financial management reforms per year	Financial Accounting and Supply Chain Management Systems	Outcome 12: An efficient, effective and development orientated public service and an empowered fair and inclusive citizenship	40	40	–
Number of individuals trained per year to assist with the implementation of financial management reforms	Financial Accounting and Supply Chain Management Systems		700	400	–
Percentage of identified transversal contracts with strategic sourcing principles introduced per year	Financial Accounting and Supply Chain Management Systems		100% (15)	67% (10)	–
Total number of neighbourhood development partnership grant projects under construction	Technical Support and Development Finance	Outcome 9: A responsive, accountable, effective and efficient local government system	40	12	–
Total third party investment leveraged	Technical Support and Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	R2.5bn	R260m	R500m

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Total number of projects approved	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive economic growth	120	91	-
Number of training placements contracted with private companies per year	Technical Support and Development Finance		150 000	103 098	-
New jobs contracted for with projects per year	Technical Support and Development Finance		30 000	0	-

#### Changes to indicators and targets published in the 2014 ENE

The current global and domestic economic conditions, and forecasts of tax revenue and revised expenditure, including adjustments to the budget, have created the need to revise GDP estimates. This has resulted in a change to the estimates for the following indicators: net loan debt as a percentage of GDP, the value of government gross annual borrowing, and the cost of debt as a percentage of GDP.

#### Mid-year progress

In the first six months of 2014/15, 400 individuals were trained on the implementation of the financial management reforms, suggesting that the annual target of 700 will be met. In addition, with the 40 training courses to facilitate training on financial management reforms already hosted, the annual target has already been met. The strong performance of these two indicators can be attributed to the effective processes in place in the Financial Accounting and Supply Chain Management Systems programme.

In the first half of 2014/15, 10 transversal contracts containing strategic sourcing principles were finalised; this represents 67 per cent of the initial annual target of 15. 2 transversal contracts that were due for renewal in 2013/14 were extended for renewal in 2014/15. Thus, the annual target for 2014/15 has been increased to 17 contracts.

In the first six months of 2014/15, 12 projects linked to the neighbourhood development partnership grant have been granted permission to proceed to the construction phase. The department expects to reach the annual target of 40 projects in construction and to leverage R500 million from the private sector by the end of 2014/15.

The target for the indicator on third-party investment leveraged is currently reflected as a cumulative amount and should have been reported as non-cumulative in the 2014 ENE. In the first half of 2014/15, R260 million was reported as third-party investment. The annual non-cumulative target for 2014/15 is R500 million.

Since its inception in 2012/13, Employment Creation Facilitation has approved 91 projects (against a target of 12) and contracted 103 098 training placements with private companies (against a target of 150 000). Even though there has been slow spending on the fund, the department has taken various steps towards enhancing the processes around the Jobs Fund, including creating capacity within the National Treasury and collaborating with the Government Technical Advisory Centre to reach the targets by the end of the financial year. With effect from 1 October 2014, National Treasury is to take over the full responsibility of administering the Jobs Fund from the Development Bank of Southern Africa.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Administration	343 135	-	-	29 247	-	-	-	29 247	372 382
Economic Policy, Tax, Financial Regulation and Research	138 920	-	-	(4 562)	-	-	-	(4 562)	134 358
Public Finance and Budget Management	262 825	-	-	(2 948)	-	-	-	(2 948)	259 877
Asset and Liability Management	3 342 100	-	-	1 272	-	-	-	1 272	3 343 372
Financial Accounting and Supply Chain Management Systems	761 632	-	-	8 403	-	-	-	8 403	770 035
International Financial Relations	1 179 807	-	-	19 910	-	-	-	19 910	1 199 717
Civil and Military Pensions, Contributions to Funds and Other Benefits	3 717 838	-	-	-	-	-	-	-	3 717 838
Technical Support and Development Finance	3 712 182	-	-	(51 322)	-	(561 087)	-	(612 409)	3 099 773
Revenue Administration	9 440 321	-	-	-	-	-	-	-	9 440 321
Financial Intelligence and State Security	4 366 250	-	-	-	-	-	-	-	4 366 250
<b>Total</b>	<b>27 265 010</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(561 087)</b>	<b>-</b>	<b>(561 087)</b>	<b>26 703 923</b>
<b>Direct charge against the National Revenue Fund</b>	<b>487 558 760</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(104 634)</b>	<b>(104 634)</b>	<b>487 454 126</b>
Provincial equitable share	362 468 075	-	-	-	-	-	-	-	362 468 075
State debt costs	114 900 523	-	-	-	-	-	(415 491)	(415 491)	114 485 032
General fuel levy sharing with metropolitan municipalities	10 190 162	-	-	-	-	-	-	-	10 190 162
National revenue fund payments	-	-	-	-	-	-	310 857	310 857	310 857
<b>Total</b>	<b>514 823 770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(561 087)</b>	<b>(104 634)</b>	<b>(665 721)</b>	<b>514 158 049</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>116 471 414</b>	<b>-</b>	<b>-</b>	<b>(72 363)</b>	<b>-</b>	<b>-</b>	<b>(415 491)</b>	<b>(487 854)</b>	<b>115 983 560</b>
Compensation of employees	764 891	-	-	(75 924)	-	-	-	(75 924)	688 967
Goods and services	806 000	-	-	3 561	-	-	-	3 561	809 561
Interest and rent on land	114 900 523	-	-	-	-	-	(415 491)	(415 491)	114 485 032
<b>Transfers and subsidies</b>	<b>394 596 330</b>	<b>-</b>	<b>-</b>	<b>4 988</b>	<b>-</b>	<b>(561 087)</b>	<b>-</b>	<b>(556 099)</b>	<b>394 040 231</b>
Provinces and municipalities	374 057 979	-	-	-	-	-	-	-	374 057 979
Departmental agencies and accounts	14 069 353	-	-	116 681	-	-	-	116 681	14 186 034
Higher education institutions	5 800	-	-	-	-	-	-	-	5 800
Foreign governments and international organisations	828 324	-	-	(51 151)	-	-	-	(51 151)	777 173
Public corporations and private enterprises	1 973 320	-	-	(61 234)	-	(561 087)	-	(622 321)	1 350 999
Households	3 661 554	-	-	692	-	-	-	692	3 662 246
<b>Payments for capital assets</b>	<b>185 517</b>	<b>-</b>	<b>-</b>	<b>(1 768)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 768)</b>	<b>183 749</b>
Machinery and equipment	11 368	-	-	8 232	-	-	-	8 232	19 600
Software and other intangible assets	174 149	-	-	(10 000)	-	-	-	(10 000)	164 149
<b>Payments for financial assets</b>	<b>3 570 509</b>	<b>-</b>	<b>-</b>	<b>69 143</b>	<b>-</b>	<b>-</b>	<b>310 857</b>	<b>380 000</b>	<b>3 950 509</b>
<b>Total</b>	<b>514 823 770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(561 087)</b>	<b>(104 634)</b>	<b>(665 721)</b>	<b>514 158 049</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Ministry	4 005	-	-	-	-	-	-	-	4 005
Departmental Management	40 853	-	-	5 487	-	-	-	5 487	46 340
Corporate Services	104 556	-	-	5 272	-	-	-	5 272	109 828
Enterprise Wide Risk Management	23 892	-	-	3 453	-	-	-	3 453	27 345
Financial Administration	41 898	-	-	(987)	-	-	-	(987)	40 911
Legal Services	18 127	-	-	(1 408)	-	-	-	(1 408)	16 719
Internal Audit	14 846	-	-	3 800	-	-	-	3 800	18 646
Communications	10 146	-	-	18	-	-	-	18	10 164
Office Accommodation	84 812	-	-	13 612	-	-	-	13 612	98 424
<b>Total</b>	<b>343 135</b>	<b>-</b>	<b>-</b>	<b>29 247</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29 247</b>	<b>372 382</b>

**Programme 1: Administration (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>335 860</b>	-	-	20 862	-	-	-	20 862	356 722
Compensation of employees	168 833	-	-	467	-	-	-	467	169 300
Goods and services	167 027	-	-	20 395	-	-	-	20 395	187 422
<b>Transfers and subsidies</b>	<b>2 081</b>	-	-	2 076	-	-	-	2 076	4 157
Departmental agencies and accounts	513	-	-	1 845	-	-	-	1 845	2 358
Households	1 568	-	-	231	-	-	-	231	1 799
<b>Payments for capital assets</b>	<b>5 194</b>	-	-	6 309	-	-	-	6 309	11 503
Machinery and equipment	5 194	-	-	6 309	-	-	-	6 309	11 503
<b>Total</b>	<b>343 135</b>	-	-	29 247	-	-	-	29 247	372 382

**Programme 2: Economic Policy, Tax, Financial Regulation and Research**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Economic Policy, Tax, Financial Regulation and Research	21 311	-	-	(243)	-	-	-	(243)	21 068
Research	12 000	-	-	(1 300)	-	-	-	(1 300)	10 700
Financial Sector Policy	30 060	-	-	3 498	-	-	-	3 498	33 558
Tax Policy	29 828	-	-	(6 123)	-	-	-	(6 123)	23 705
Economic Policy	28 883	-	-	(394)	-	-	-	(394)	28 489
Cooperative Banking Development Agency	16 838	-	-	-	-	-	-	-	16 838
<b>Total</b>	<b>138 920</b>	-	-	(4 562)	-	-	-	(4 562)	134 358
<b>Economic classification</b>									
<b>Current payments</b>	<b>110 868</b>	-	-	(4 716)	-	-	-	(4 716)	106 152
Compensation of employees	83 283	-	-	(7 956)	-	-	-	(7 956)	75 327
Goods and services	27 585	-	-	3 240	-	-	-	3 240	30 825
<b>Transfers and subsidies</b>	<b>27 618</b>	-	-	35	-	-	-	35	27 653
Departmental agencies and accounts	16 838	-	-	-	-	-	-	-	16 838
Public corporations and private enterprises	10 780	-	-	-	-	-	-	-	10 780
Households	-	-	-	35	-	-	-	35	35
<b>Payments for capital assets</b>	<b>434</b>	-	-	119	-	-	-	119	553
Machinery and equipment	434	-	-	119	-	-	-	119	553
<b>Total</b>	<b>138 920</b>	-	-	(4 562)	-	-	-	(4 562)	134 358

**Programme 3: Public Finance and Budget Management**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Public Finance and Budget Management	21 416	-	-	676	-	-	-	676	22 092
Public Finance	56 493	-	-	(1 733)	-	-	-	(1 733)	54 760
Budget Office and Coordination	63 943	-	-	(4 929)	-	-	-	(4 929)	59 014
Intergovernmental Relations	81 485	-	-	(1 962)	-	-	-	(1 962)	79 523
Financial and Fiscal Commission	39 488	-	-	5 000	-	-	-	5 000	44 488
<b>Total</b>	<b>262 825</b>	-	-	(2 948)	-	-	-	(2 948)	259 877



**Programme 3: Public Finance and Budget Management (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>221 935</b>	–	–	(8 281)	–	–	–	(8 281)	<b>213 654</b>
Compensation of employees	189 502	–	–	(8 581)	–	–	–	(8 581)	180 921
Goods and services	32 433	–	–	300	–	–	–	300	32 733
<b>Transfers and subsidies</b>	<b>39 488</b>	–	–	<b>5 089</b>	–	–	–	<b>5 089</b>	<b>44 577</b>
Departmental agencies and accounts	39 488	–	–	5 000	–	–	–	5 000	44 488
Households	–	–	–	89	–	–	–	89	89
<b>Payments for capital assets</b>	<b>1 402</b>	–	–	<b>244</b>	–	–	–	<b>244</b>	<b>1 646</b>
Machinery and equipment	1 402	–	–	244	–	–	–	244	1 646
<b>Total</b>	<b>262 825</b>	–	–	<b>(2 948)</b>	–	–	–	<b>(2 948)</b>	<b>259 877</b>

**Programme 4: Asset and Liability Management**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Asset and Liability Management	14 009	–	–	(2 688)	–	–	–	(2 688)	11 321
State Owned Entity Financial Management and Governance	29 024	–	–	745	–	–	–	745	29 769
Government Debt Management	18 666	–	–	550	–	–	–	550	19 216
Financial Operations	18 324	–	–	2 456	–	–	–	2 456	20 780
Strategy and Risk Management	10 077	–	–	209	–	–	–	209	10 286
Financial Investments	3 252 000	–	–	–	–	–	–	–	3 252 000
<b>Total</b>	<b>3 342 100</b>	–	–	<b>1 272</b>	–	–	–	<b>1 272</b>	<b>3 343 372</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>89 875</b>	–	–	<b>1 117</b>	–	–	–	<b>1 117</b>	<b>90 992</b>
Compensation of employees	69 635	–	–	967	–	–	–	967	70 602
Goods and services	20 240	–	–	150	–	–	–	150	20 390
<b>Transfers and subsidies</b>	<b>–</b>	–	–	<b>155</b>	–	–	–	<b>155</b>	<b>155</b>
Households	–	–	–	155	–	–	–	155	155
<b>Payments for capital assets</b>	<b>225</b>	–	–	–	–	–	–	–	<b>225</b>
Machinery and equipment	225	–	–	–	–	–	–	–	225
<b>Payments for financial assets</b>	<b>3 252 000</b>	–	–	–	–	–	–	–	<b>3 252 000</b>
<b>Total</b>	<b>3 342 100</b>	–	–	<b>1 272</b>	–	–	–	<b>1 272</b>	<b>3 343 372</b>

**Programme 5: Financial Accounting and Supply Chain Management Systems**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Financial Accounting and Supply Chain Management Systems	17 063	–	–	(935)	–	–	–	(935)	16 128
Office of the Chief Procurement Officer	50 836	–	–	(3 921)	–	–	–	(3 921)	46 915
Financial Systems	435 028	–	–	(5 402)	–	–	–	(5 402)	429 626
Financial Reporting for National Accounts	90 412	–	–	(2 316)	–	–	–	(2 316)	88 096
Financial Management Policy and Compliance Improvement	126 778	–	–	20 977	–	–	–	20 977	147 755
Audit Statutory Bodies	41 218	–	–	–	–	–	–	–	41 218
Service Charges:	297	–	–	–	–	–	–	–	297
Commercial Banks	–	–	–	–	–	–	–	–	–
<b>Total</b>	<b>761 632</b>	–	–	<b>8 403</b>	–	–	–	<b>8 403</b>	<b>770 035</b>

**Programme 5: Financial Accounting and Supply Chain Management Systems (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	<b>497 904</b>	–	–	<b>16 236</b>	–	–	–	<b>16 236</b>	<b>514 140</b>
Compensation of employees	184 081	–	–	(18 724)	–	–	–	(18 724)	165 357
Goods and services	313 823	–	–	34 960	–	–	–	34 960	348 783
<b>Transfers and subsidies</b>	<b>86 045</b>	–	–	<b>182</b>	–	–	–	<b>182</b>	<b>86 227</b>
Departmental agencies and accounts	86 045	–	–	–	–	–	–	–	86 045
Households	–	–	–	182	–	–	–	182	182
<b>Payments for capital assets</b>	<b>177 683</b>	–	–	<b>(8 015)</b>	–	–	–	<b>(8 015)</b>	<b>169 668</b>
Machinery and equipment	3 534	–	–	1 985	–	–	–	1 985	5 519
Software and other intangible assets	174 149	–	–	(10 000)	–	–	–	(10 000)	164 149
<b>Total</b>	<b>761 632</b>	–	–	<b>8 403</b>	–	–	–	<b>8 403</b>	<b>770 035</b>

**Programme 6: International Financial Relations**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management for International Financial Relations	8 911	–	–	292	–	–	–	292	9 203
International Economic Cooperation	26 282	–	–	1 626	–	–	–	1 626	27 908
African Integration and Support	636 401	–	–	7 992	–	–	–	7 992	644 393
International Development Funding Institutions	491 923	–	–	10 000	–	–	–	10 000	501 923
International Projects	16 290	–	–	–	–	–	–	–	16 290
<b>Total</b>	<b>1 179 807</b>	–	–	<b>19 910</b>	–	–	–	<b>19 910</b>	<b>1 199 717</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>35 089</b>	–	–	<b>1 868</b>	–	–	–	<b>1 868</b>	<b>36 957</b>
Compensation of employees	25 542	–	–	1 918	–	–	–	1 918	27 460
Goods and services	9 547	–	–	(50)	–	–	–	(50)	9 497
<b>Transfers and subsidies</b>	<b>826 105</b>	–	–	<b>(51 151)</b>	–	–	–	<b>(51 151)</b>	<b>774 954</b>
Foreign governments and international organisations	826 105	–	–	(51 151)	–	–	–	(51 151)	774 954
<b>Payments for capital assets</b>	<b>104</b>	–	–	<b>50</b>	–	–	–	<b>50</b>	<b>154</b>
Machinery and equipment	104	–	–	50	–	–	–	50	154
<b>Payments for financial assets</b>	<b>318 509</b>	–	–	<b>69 143</b>	–	–	–	<b>69 143</b>	<b>387 652</b>
<b>Total</b>	<b>1 179 807</b>	–	–	<b>19 910</b>	–	–	–	<b>19 910</b>	<b>1 199 717</b>

**Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Government Pensions Administration Agency	55 633	–	–	–	–	–	–	–	55 633
Civil Pensions and Contributions to Funds	3 022 064	–	–	(300 196)	–	–	–	(300 196)	2 721 868
Military Pensions and Other Benefits	640 141	–	–	300 196	–	–	–	300 196	940 337
<b>Total</b>	<b>3 717 838</b>	–	–	–	–	–	–	–	<b>3 717 838</b>

**Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>55 633</b>	-	-	-	-	-	-	-	<b>55 633</b>
Goods and services	55 633	-	-	-	-	-	-	-	55 633
<b>Transfers and subsidies</b>	<b>3 662 205</b>	-	-	-	-	-	-	-	<b>3 662 205</b>
Foreign governments and international organisations	2 219	-	-	-	-	-	-	-	2 219
Households	3 659 986	-	-	-	-	-	-	-	3 659 986
<b>Total</b>	<b>3 717 838</b>	-	-	-	-	-	-	-	<b>3 717 838</b>

**Programme 8: Technical Support and Development Finance**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Programme Management for Technical Support and Development Finance	12 730	-	-	(12 730)	-	-	-	(12 730)	-
Local Government Financial Management Support	577 926	-	-	(30 000)	-	-	-	(30 000)	547 926
Urban Development and Support	904 479	-	-	-	-	-	-	-	904 479
Employment Creation Facilitation	1 900 000	-	-	-	-	(561 087)	-	(561 087)	1 338 913
Government Technical Advisory Centre	67 022	-	-	12 730	-	-	-	12 730	79 752
Infrastructure Development Support	250 025	-	-	(21 322)	-	-	-	(21 322)	228 703
<b>Total</b>	<b>3 712 182</b>	-	-	<b>(51 322)</b>	-	<b>(561 087)</b>	-	<b>(612 409)</b>	<b>3 099 773</b>
<b>Economic classification</b>	<b>223 727</b>	-	-	<b>(99 449)</b>	-	-	-	<b>(99 449)</b>	<b>124 278</b>
<b>Current payments</b>	<b>44 015</b>	-	-	<b>(44 015)</b>	-	-	-	<b>(44 015)</b>	-
Compensation of employees	179 712	-	-	(55 434)	-	-	-	(55 434)	124 278
<b>Transfers and subsidies</b>	<b>3 487 980</b>	-	-	<b>48 602</b>	-	<b>(561 087)</b>	-	<b>(512 485)</b>	<b>2 975 495</b>
Provinces and municipalities	1 399 742	-	-	-	-	-	-	-	1 399 742
Departmental agencies and accounts	119 898	-	-	109 836	-	-	-	109 836	229 734
Higher education institutions	5 800	-	-	-	-	-	-	-	5 800
Public corporations and private enterprises	1 962 540	-	-	(61 234)	-	(561 087)	-	(622 321)	1 340 219
<b>Payments for capital assets</b>	<b>475</b>	-	-	<b>(475)</b>	-	-	-	<b>(475)</b>	-
Machinery and equipment	475	-	-	(475)	-	-	-	(475)	-
<b>Total</b>	<b>3 712 182</b>	-	-	<b>(51 322)</b>	-	<b>(561 087)</b>	-	<b>(612 409)</b>	<b>3 099 773</b>

**Direct charges against the National Revenue Fund**

	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Provincial equitable share	362 468 075	-	-	-	-	-	-	-	362 468 075
State debt costs	114 900 523	-	-	-	-	-	(415 491)	(415 491)	114 485 032
General fuel levy sharing with metropolitan municipalities	10 190 162	-	-	-	-	-	-	-	10 190 162
National revenue fund payments	-	-	-	-	-	-	310 857	310 857	310 857
<b>Total</b>	<b>487 558 760</b>	-	-	-	-	-	<b>(104 634)</b>	<b>(104 634)</b>	<b>487 454 126</b>
<b>Economic classification</b>	<b>114 900 523</b>	-	-	-	-	-	<b>(415 491)</b>	<b>(415 491)</b>	<b>114 485 032</b>
<b>Current payments</b>	<b>114 900 523</b>	-	-	-	-	-	<b>(415 491)</b>	<b>(415 491)</b>	<b>114 485 032</b>
Interest and rent on land	114 900 523	-	-	-	-	-	(415 491)	(415 491)	114 485 032

## Direct charges against the National Revenue Fund (continued)

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Transfers and subsidies</b>	<b>372 658 237</b>	-	-	-	-	-	-	-	<b>372 658 237</b>
Provinces and municipalities	372 658 237	-	-	-	-	-	-	-	372 658 237
<b>Payments for financial assets</b>	-	-	-	-	-	-	<b>310 857</b>	<b>310 857</b>	<b>310 857</b>
<b>Total</b>	<b>487 558 760</b>	-	-	-	-	-	<b>(104 634)</b>	<b>(104 634)</b>	<b>487 454 126</b>

## Details of adjustments to the Estimates of National Expenditure 2014

## Virements and shifts

## Programmes

1. Administration
2. Economic Policy, Tax, Financial Regulation and Research
3. Public Finance and Budget Management
4. Asset and Liability Management
5. Financial Accounting and Supply Chain Management Systems
6. International Financial Relations
7. Civil and Military Pensions, Contributions to Funds and Other Benefits
8. Technical Support and Development Finance
9. Revenue Administration
10. Financial Intelligence and State Security

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(150)</b>	<b>Programme 1</b>		<b>150</b>
Compensation of employees	Vacant posts and staff attrition	(150)	Households	Leave gratuities	150
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme Budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(8 075)</b>	<b>Programme 2</b>		<b>119</b>
Goods and services	Less than anticipated payment of consultants for research projects	(119)	Machinery and equipment	Replacement of obsolete equipment	119
			<b>Programme 1</b>		<b>4 562</b>
Compensation of employees	Vacant posts and staff attrition	(472)	Compensation of employees	Performance bonuses and related notch increments due to the outcome of performance evaluations	472
	Vacant posts and staff attrition	(81)	Households	Leave gratuities	81
	Vacant posts and staff attrition	(2 164)	Machinery and equipment	Replacement of obsolete equipment, procurement of scanners for access control, motor vehicles for the ministry, and computer servers	2 164
	Vacant posts and staff attrition	(1 845)	Departmental agencies and accounts	Transfer payment to the Financial Services Sector Education and Training Authority and Public Service Education and Training Authority based on the directive from the Department of Public Service and Administration <sup>1</sup>	1 845
			<b>Programme 2</b>		<b>3 394</b>
	Vacant posts and staff attrition	(35)	Households	Leave gratuities	35
	Vacant posts and staff attrition	(3 359)	Goods and services	Communication campaign announced by Cabinet to inform the public on retirement reforms, especially the law that is coming into effect in March 2015	3 359
Shifts within the programme as a percentage of the programme budget		2.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.3%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(8 716)</b>	<b>Programme 3</b>		<b>135</b>
Goods and services	Intensified cost containment measures effected on training, specifically through the use of internal venues and bulk training of officials	(135)	Machinery and equipment	Replacement of obsolete equipment	135
			<b>Programme 1</b>		<b>2 948</b>
Compensation of employees	Vacant posts and staff attrition	(1 642)	Machinery and equipment	Scanners for access control	1 642
	Vacant posts and staff attrition	(1 306)	Machinery and equipment	Scanners for access control	1 306
	Vacant posts and staff attrition	(7)	<b>Programme 3</b>		<b>5 633</b>
	Vacant posts and staff attrition	(82)	Households	Leave gratuities	7
	Vacant posts and staff attrition	(435)	Households	Leave gratuities	82
	Vacant posts and staff attrition	(109)	Goods and services	Consultants for the development and maintenance of the local government database; and consultants for the editing of budget documents	435
	Vacant posts and staff attrition	(5 000)	Machinery and equipment	Replacement of obsolete equipment	109
	Vacant posts and staff attrition		Departmental agencies and accounts	Transfer payment to the Financial and Fiscal Commission for the conference on intergovernmental fiscal relations celebrating its 20th anniversary <sup>1</sup>	5 000
Shifts within the programme as a percentage of the programme budget		2.2%			
<b>Virements to other programmes as a percentage of the programme Budget</b>		<b>1.1%</b>			
<b>Programme 4</b>		<b>(155)</b>	<b>Programme 4</b>		<b>155</b>
Compensation of employees	Vacant posts and staff attrition	(155)	Households	Leave gratuities	155
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme Budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(28 729)</b>	<b>Programme 1</b>		<b>18 542</b>
Compensation of employees	Vacant posts and staff attrition	(18 542)	Goods and services	Accommodation and municipal fees for the head office buildings, consultants for the execution of audit in the special pensions environment, ICT hardware infrastructure, annual software fees, data lines and internet service	18 542
	Vacant posts and staff attrition	(182)	<b>Programme 5</b>		<b>182</b>
	Vacant posts and staff attrition	(5)	Households	Leave gratuities	182
Machinery and equipment	Cost containment measures effected on the procurement of equipment, including bulk buying and governance on the procurement of ICT equipment	(5)	<b>Programme 1</b>		<b>3 055</b>
	Slow spending on the integrated financial management system	(1 853)	Compensation of employees	Performance bonuses and related notch increments due to the outcome of performance evaluations	5
Software and other intangible assets	Slow spending on the integrated financial management system	(1 853)	Goods and services	Accommodation and municipal fees for head office buildings, consultants for the strategic and annual performance plan	1 853
	Slow spending on the integrated financial management system	(1 197)	Machinery and equipment	Procurement of motor vehicles for the ministry	1 197
	Slow spending on the integrated financial management system	(4 960)	<b>Programme 5</b>		<b>6 950</b>
	Slow spending on the integrated financial management system	(1 990)	Goods and services	Computer services due to increased tariffs for the transversal systems and payment of legal costs	4 960
	Slow spending on the integrated financial management system		Machinery and equipment	Replacement of obsolete equipment	1 990
Shifts within the programme as a percentage of the programme budget		0.9%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.8%</b>			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 6</b>		<b>(69 193)</b>	<b>Programme 6</b>		<b>69 193</b>
Goods and services	Less than anticipated travel, and cost containment measures effected on travel and subsistence, including on-line booking and negotiated lower fees	(50)	Machinery and equipment	Replacement of obsolete equipment	50
Foreign governments and international organisations	Reduction of the African Development Fund as South Africa negotiated to pay its recapitalisation contributions for the fund and the International Development Association over a 10-year period instead of over three years <sup>1</sup>	(59 143)	Payments for financial assets	Subscription of shares for the African Development Bank <sup>1</sup>	59 143
	Reduced spending on the African Risk Capacity transfer as registration has not yet been finalised <sup>1</sup>	(4 938)		Subscription of shares for the World Bank <sup>1</sup>	4 938
	Reduced spending on the African Risk Capacity transfer as registration has not yet been finalised <sup>1</sup>	(5 062)		Subscription of shares for the African Development Bank <sup>1</sup>	5 062
Shifts within the programme as a percentage of the programme budget		5.9%			
<b>Virements to other programmes as a percentage of the programme Budget</b>		<b>0.0%</b>			
<b>Programme 7</b>		<b>(309 696)</b>			<b>309 696</b>
Households	Reduced spending on post-retirement medical benefits and special pensions	(309 696)	Households	Payments to the Government Employees Pension Fund as part of a revised dispensation that allows former non-statutory forces members to apply for recognition of former service as pensionable service	309 696
Shifts within the programme as a percentage of the programme budget		8.9%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 8</b>		<b>(161 158)</b>	<b>Programme 1</b>		<b>140</b>
Goods and services	Reduced spending on consultants for the infrastructure delivery improvement programme due to delays in finalisation of the procurement process	(140)	Compensation of employees	Performance bonuses and related notch increments due to the outcome of performance evaluations	140
	Reduced spending on consultants for the infrastructure delivery improvement programme due to delays in finalisation of the procurement process	(440)	<b>Programme 4</b>		<b>590</b>
	Reduced spending on consultants for the infrastructure delivery improvement programme due to delays in finalisation of the procurement process	(150)	Compensation of employees	Performance bonuses and related notch increments due to the outcome of performance evaluations	440
	Reduced spending on consultants for the infrastructure delivery improvement programme due to delays in finalisation of the procurement process	(17 992)	Goods and services	Computer services for the additional hosting data exchange services on the Treasury management system	150
	Shifting of operational budget to the Government Technical Advisory Centre	(36 712)	<b>Programme 6</b>		<b>17 992</b>
	Vacant posts and staff attrition	(682)	Foreign governments and international organisations	Common Monetary Area Compensation transfer due to economic conditions that affect the circulation of the Rand in member countries; exchange rates and high interest rates <sup>1</sup>	17 992
	Vacant posts and staff attrition	(1 918)	<b>Programme 8</b>		<b>36 712</b>
Compensation of employees			Departmental agencies and accounts	Shifting of functions to the Government Technical Advisory Centre <sup>1</sup>	36 712
			<b>Programme 4</b>		<b>682</b>
			Compensation of employees	Performance bonuses and related notch increments due to the outcome of performance evaluations	682
			<b>Programme 6</b>		<b>1 918</b>
			Compensation of employees	Performance bonuses and related notch increments due to the outcome of performance evaluations	1 918

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
			<b>Programme 8</b>		<b>41 890</b>
	Shifting of posts to the Government Technical Advisory Centre	(41 415)	Departmental agencies and accounts	Transfer of functions to the Government Technical Advisory Centre <sup>1</sup>	41 415
Machinery and equipment	Shifting of capital budget to the Government Technical Advisory Centre	(475)	Departmental agencies and accounts	Transfer of functions to the Government Technical Advisory Centre <sup>1</sup>	475
			<b>Programme 5</b>		<b>30 000</b>
Public corporations and private enterprises	Less spending on the municipal finance improvement programme <sup>1</sup>	(30 000)	Goods and services	Rollout of a financial management capability maturity model assessment programme in all municipalities <sup>1</sup>	30 000
			<b>Programme 8</b>		<b>31 234</b>
	Shifting of the transfer to the Development Bank of Southern Africa to the Government Technical Advisory Centre <sup>1</sup>	(31 234)	Departmental agencies and accounts	Transfer of functions to the Government Technical Advisory Centre <sup>1</sup>	31 234
Shifts within the programme as a percentage of the programme budget		3.0%			
<b>Virements to other programmes as a percentage of the programme Budget</b>		<b>1.4%</b>			
<b>Programme 10</b>		<b>(21 192)</b>	<b>Programme 10</b>		<b>21 192</b>
Departmental agencies and accounts	Reclassification of the Secret Services expenditure on non-core goods and services	(21 192)	Departmental agencies and accounts	Importing of equipment for the Secret Services as influenced by the depreciation of the Rand	21 192
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme Budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(607 064)</b>			<b>607 064</b>

1. National Treasury approval has been obtained.

## Declared unspent funds – R561.087 million

Programme 8: Technical Support and Development Finance

R561.087 million has been declared on Employment Creation Facilitation based on the scheduled requests for proposals and delays in contracting applicants for the third round of funding. The rescheduling of funds is being effected over the medium term.

## Direct charges against the National Revenue Fund – R104.634 million

### State debt costs

State debt cost projections based on macroeconomic forecasts have been decreased by R415.491 million.

### National Revenue Fund payments

The national revenue fund payments have been increased by R310.857 million for the settling of losses accrued from the revaluation of the South African Reserve Bank's gold holdings for government, foreign currency exchange transactions, the depreciation of the value of foreign assets and the appreciation of the value of foreign liabilities managed by the bank.

**Expenditure outcome for 2013/14 and actual expenditure for 2014/15**

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
Administration	356 429	148 018	41.5	319 596	89.7	372 382	0.1	172 935	46.4
Economic Policy, Tax, Financial Regulation and Research	133 924	61 444	45.9	124 097	92.7	134 358	0.0	58 189	43.3
Public Finance and Budget Management	246 154	106 902	43.4	227 567	92.4	259 877	0.1	126 716	48.8
Asset and Liability Management	2 993 994	2 946 054	98.4	2 990 923	99.9	3 343 372	0.7	1 093 672	32.7
Financial Accounting and Supply Chain Management Systems	734 723	239 860	32.6	707 772	96.3	770 035	0.1	217 887	28.3
International Financial Relations	1 091 985	23 264	2.1	1 067 740	97.8	1 199 717	0.2	27 147	2.3
Civil and Military Pensions, Contributions to Funds and Other Benefits	3 497 031	1 382 379	39.5	3 523 098	100.7	3 717 838	0.7	1 521 578	40.9
Technical Support and Development Finance	2 469 079	1 071 621	43.4	2 437 317	98.7	3 099 773	0.6	1 292 256	41.7
Revenue Administration	9 534 393	4 767 198	50.0	9 534 393	100.0	9 440 321	1.8	4 720 161	50.0
Financial Intelligence and State Security	4 174 554	2 101 887	50	4 174 554	100	4 366 250	0.8	2 174 282	50
<b>Subtotal</b>	<b>25 232 266</b>	<b>12 848 627</b>	<b>50.9</b>	<b>25 107 057</b>	<b>99.5</b>	<b>26 703 923</b>	<b>5.2</b>	<b>11 404 823</b>	<b>42.7</b>
<b>Direct charge against the National Revenue Fund</b>	<b>449 234 677</b>	<b>221 176 360</b>	<b>49.2</b>	<b>450 251 141</b>	<b>100.2</b>	<b>487 454 126</b>	<b>94.8</b>	<b>241 504 522</b>	<b>49.5</b>
Provincial equitable share	338 936 817	168 786 221	49.8	338 936 817	100.0	362 468 075	70.5	181 234 048	50.0
State debt costs	100 484 500	49 185 686	48.9	101 184 690	100.7	114 485 032	22.3	56 562 896	49.4
General fuel levy sharing with metropolitan municipalities	9 613 360	3 204 453	33	9 613 360	100	10 190 162	2.0	3 396 721	33
National revenue fund payments	200 000	–	–	516 274	258	310 857	0.1	310 857	100
<b>Total</b>	<b>474 466 943</b>	<b>234 024 987</b>	<b>49.3</b>	<b>475 358 198</b>	<b>100.2</b>	<b>514 158 049</b>	<b>100.0</b>	<b>252 909 345</b>	<b>49.2</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>101 940 426</b>	<b>49 771 398</b>	<b>48.8</b>	<b>102 514 044</b>	<b>100.6</b>	<b>115 983 560</b>	<b>22.6</b>	<b>57 182 181</b>	<b>49.3</b>
Compensation of employees	659 487	322 822	49.0	631 541	95.8	688 967	0.1	361 446	52.5
Goods and services	796 439	262 890	33.0	697 813	87.6	809 561	0.2	257 839	31.8
Interest and rent on land	100 484 500	49 185 686	48.9	101 184 690	100.7	114 485 032	22.3	56 562 896	49.4



R thousand	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
<b>Transfers and subsidies</b>	<b>368 941 466</b>	<b>181 306 096</b>	<b>49.1</b>	<b>368 891 432</b>	<b>100.0</b>	<b>394 040 231</b>	<b>76.6</b>	<b>194 345 389</b>	<b>49.3</b>	
Provinces and municipalities	349 711 516	172 713 342	49.4	349 699 410	100.0	374 057 979	72.8	185 503 307	49.6	
Departmental agencies and accounts	13 977 158	6 990 428	50.0	13 976 884	100.0	14 186 034	2.8	6 985 604	49.2	
Higher education institutions	10 000	–	0.0	10 000	100.0	5 800	0.0	–	0.0	
Foreign governments and international organisations	771 503	3 218	0.4	712 302	92.3	777 173	0.2	10 262	1.3	
Public corporations and private enterprises	1 024 603	239 266	23.4	1 024 603	100.0	1 350 999	0.3	346 309	25.6	
Households	3 446 686	1 359 842	39.5	3 468 233	100.6	3 662 246	0.7	1 499 907	41.0	
<b>Payments for capital assets</b>	<b>199 538</b>	<b>42 491</b>	<b>21.3</b>	<b>216 319</b>	<b>108.4</b>	<b>183 749</b>	<b>0.0</b>	<b>18 268</b>	<b>9.9</b>	
Buildings and other fixed structures	5 000	–	0.0	–	0.0	–	0.0	–	0.0	
Machinery and equipment	28 307	12 507	44.2	21 648	76.5	19 600	0.0	2 294	11.7	
Software and other intangible assets	166 231	29 984	18.0	194 671	117.1	164 149	0.0	15 974	9.7	
<b>Payments for financial assets</b>	<b>3 385 513</b>	<b>2 905 002</b>	<b>85.8</b>	<b>3 736 403</b>	<b>110.4</b>	<b>3 950 509</b>	<b>0.8</b>	<b>1 363 507</b>	<b>34.5</b>	
<b>Total</b>	<b>474 466 943</b>	<b>234 024 987</b>	<b>49.3</b>	<b>475 358 198</b>	<b>100.2</b>	<b>514 158 049</b>	<b>100.0</b>	<b>252 909 345</b>	<b>49.2</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure for 2013/14 was 100.2 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R252.909 billion, or 49.2 per cent of the adjusted appropriation of R514.158 billion for the year. In comparison, mid-year expenditure in 2013/14 was R234.025 billion, or 49.3 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R18.884 billion, or 8.1 per cent. This was mainly due to increased direct charges against the National Revenue Fund, including R7.377 billion for the state debt cost payments, as well as R12.448 billion for the equitable share payments to provinces and municipalities.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>3 395 908</b>	<b>2 198 187</b>	<b>64.7</b>	<b>3 687 531</b>	<b>108.6</b>	<b>3 872 467</b>	<b>4 446 637</b>	<b>35.8</b>	<b>2 582 708</b>	<b>58.1</b>
Sales of goods and services produced by department	152 220	58 147	38.2	73 058	48.0	111 178	40 744	0.3	40 548	99.5
Sales of scrap, waste, arms and other used current goods	9	4	44.4	29	322.2	12	12	0.0	6	50.0
Interest, dividends and rent on land	2 163 139	1 153 298	53.3	2 586 428	119.6	2 691 277	3 404 139	27.4	1 625 180	47.7
Sales of capital assets	40	–	0.0	111	277.5	–	–	0.0	–	0.0
Transactions in financial assets and liabilities	1 080 500	986 738	91.3	1 027 905	95.1	1 070 000	1 001 742	8.1	916 974	91.5
<b>National Revenue Fund receipts</b>	<b>11 011 428</b>	<b>7 914 892</b>	<b>71.9</b>	<b>11 663 544</b>	<b>105.9</b>	<b>2 850 000</b>	<b>7 972 000</b>	<b>64.2</b>	<b>5 779 368</b>	<b>72.5</b>
Revaluation profits on foreign currency transactions	5 003 000	4 388 297	87.7	5 670 623	113.3	2 850 000	3 930 000	31.6	3 582 236	91.2
Premiums on loan transactions	5 932 000	2 538 651	42.8	5 510 307	92.9	–	4 000 000	32.2	2 155 796	53.9
Liquidation of South African Special Risks Insurance Association (SASRIA) investment	75 000	75 000	100.0	75 000	100.0	–	40 000	0.3	40 000	100.0
Foreign exchange amnesty proceeds	1 428	–	0.0	399 268	27 959.9	–	–	0.0	–	0.0
Debt portfolio restructuring	–	911 516	0.0	–	0.0	–	–	0.0	–	0.0
Other (Mainly penalties and Retail bonds)	–	1 428	0.0	8 346	0.0	–	2 000	0.0	1 336	66.8
<b>Total</b>	<b>14 407 336</b>	<b>10 113 079</b>	<b>70.2</b>	<b>15 351 075</b>	<b>106.6</b>	<b>6 722 467</b>	<b>12 418 637</b>	<b>100.0</b>	<b>8 362 076</b>	<b>67.3</b>

### Revenue trends for the first half of 2014/15

Excluding national revenue fund receipts, revenue for the first six months of 2014/15 was R2.583 billion, which is 58.1 per cent of the adjusted receipts estimate of R4.447 billion for the year. In comparison, the revenue collected by mid-year in 2013/14 was R2.198 billion, or 64.7 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R384.521 million or 17.5 per cent, mainly due to interest, dividends and rent on land.

In 2014/15, national revenue fund receipts will amount to R7.972 billion, comprising: premiums on loan transactions (R4 billion), revaluation profits on foreign currency transactions (R3.930 billion), the liquidation of government's investment in the South African Special Risk Insurance Association (R40 million), and penalties received on the early redemption of retail savings bonds (R2 million). The increase of R5.122 billion compared to the budget estimate is mainly due to premiums on loan transactions relating to inflation linked bonds. These were the result of the real yields on new loans being lower than budgeted, and a weaker than budgeted exchange rate resulting in higher revaluation profits on foreign currency transactions.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>498</b>	-	-	<b>1 845</b>	-	-	-	<b>1 845</b>	<b>2 343</b>
Finance, accounting, management, consulting and other financial services sector education and training authority	498	-	-	1 845	-	-	-	1 845	2 343
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>231</b>	-	-	-	<b>231</b>	<b>231</b>
Employee social benefits	-	-	-	231	-	-	-	231	231
<b>Economic Policy, Tax, Financial Regulation and Research</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>35</b>	-	-	-	<b>35</b>	<b>35</b>
Employee social benefits	-	-	-	35	-	-	-	35	35
<b>Public Finance and Budget Management</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>39 488</b>	-	-	<b>5 000</b>	-	-	-	<b>5 000</b>	<b>44 488</b>
Financial and Fiscal Commission	39 488	-	-	5 000	-	-	-	5 000	44 488
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>89</b>	-	-	-	<b>89</b>	<b>89</b>
Employee social benefits	-	-	-	89	-	-	-	89	89
<b>Asset and Liability Management</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>155</b>	-	-	-	<b>155</b>	<b>155</b>
Employee social benefits	-	-	-	155	-	-	-	155	155
<b>Financial Accounting and Supply Chain Management Systems</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>182</b>	-	-	-	<b>182</b>	<b>182</b>
Employee social benefits	-	-	-	182	-	-	-	182	182
<b>International Financial Relations</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	<b>632 843</b>	-	-	<b>7 992</b>	-	-	-	<b>7 992</b>	<b>640 835</b>
Common monetary area compensation	622 843	-	-	17 992	-	-	-	17 992	640 835
African Risk Capacity	10 000	-	-	(10 000)	-	-	-	(10 000)	-
<b>Capital</b>	<b>76 762</b>	-	-	<b>(59 143)</b>	-	-	-	<b>(59 143)</b>	<b>17 619</b>
African Development Bank and African Development Fund	76 762	-	-	(59 143)	-	-	-	(59 143)	17 619
<b>Civil and Military Pensions, Contributions to Funds and Other Benefits</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>2 952 185</b>	-	-	-	-	-	-	-	<b>2 952 185</b>
Other benefits	89 070	-	-	(10 000)	-	-	-	(10 000)	79 070
Post-retirement medical scheme	1 646 400	-	-	(83 741)	-	-	-	(83 741)	1 562 659
Special Pensions	524 460	-	-	(64 000)	-	-	-	(64 000)	460 460
Political Office-Bearers Pension Fund	217 953	-	-	(145 955)	-	-	-	(145 955)	71 998

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

R thousand	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
Pension benefits: President of South Africa	8 568	-	-	3 500	-	-	-	3 500	12 068
Other benefits: Ex-servicemen	38 130	-	-	(9 500)	-	-	-	(9 500)	28 630
Non-statutory forces	427 604	-	-	309 696	-	-	-	309 696	737 300
<b>Technical Support and Development Finance</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>61 598</b>	-	-	<b>102 753</b>	-	-	-	<b>102 753</b>	<b>164 351</b>
Project development facility trading account	21 330	-	-	(21 330)	-	-	-	(21 330)	-
Technical assistance unit trading entity	40 268	-	-	(40 268)	-	-	-	(40 268)	-
Government Technical Advisory Centre	-	-	-	164 351	-	-	-	164 351	164 351
<b>Capital</b>	<b>-</b>	-	-	<b>7 083</b>	-	-	-	<b>7 083</b>	<b>7 083</b>
Government Technical Advisory Centre	-	-	-	7 083	-	-	-	7 083	7 083
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Subsidies on production or products</b>									
<b>Current</b>	<b>128 788</b>	-	-	<b>(30 000)</b>	-	-	-	<b>(30 000)</b>	<b>98 788</b>
Municipal finance improvement programme	128 788	-	-	(30 000)	-	-	-	(30 000)	98 788
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	<b>1 833 752</b>	-	-	<b>(31 234)</b>	-	<b>(561 087)</b>	-	<b>(592 321)</b>	<b>1 241 431</b>
Development Bank of Southern Africa	1 833 752	-	-	(31 234)	-	(561 087)	-	(592 321)	1 241 431
<b>Financial Intelligence and State Security</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>3 902 626</b>	-	-	<b>(21 192)</b>	-	-	-	<b>(21 192)</b>	<b>3 881 434</b>
Secret Services	3 902 626	-	-	(21 192)	-	-	-	(21 192)	3 881 434
<b>Capital</b>	<b>265 544</b>	-	-	<b>21 192</b>	-	-	-	<b>21 192</b>	<b>286 736</b>
Secret Services	265 544	-	-	21 192	-	-	-	21 192	286 736

# Vote 11

## Public Enterprises

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>259 786</b>	<b>322 927</b>	-	63 141
<b>of which:</b>				
Current payments	255 617	255 466	(151)	-
Transfers and subsidies	100	63 392	-	63 292
Payments for capital assets	4 069	4 069	-	-
Executive authority	Minister of Public Enterprises			
Accounting officer	Director-General of Public Enterprises			
Website address	www.dpe.gov.za			

### Aim

*Drive investment, productivity and transformation in the department's portfolio of state owned companies, to unlock growth, drive industrialisation, create jobs and develop skills.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some government departments announced by the President in May 2014, the oversight responsibility for Broadband Infracore will shift from this department to the Department of Telecommunications and Postal Services, as gazetted on 26 September 2014.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of shareholder compacts signed per year	Portfolio Management and Strategic Partnerships	Outcome 6: An efficient, competitive and responsive economic infrastructure network	8	3	7
Number of corporate plans reviewed per year	Portfolio Management and Strategic Partnerships		8	8	7
Number of quarterly financial reviews per year	Portfolio Management and Strategic Partnerships		32	16	30

#### Changes to indicators and targets published in the 2014 ENE

The decision by Cabinet to move Broadband Infracore to the Department of Telecommunications and Postal Services affects the Department of Public Enterprise's targets reflected in the 2014 ENE. Oversight function indicators linked to Broadband Infracore have been excluded from the indicators that would need to be delivered by the department. Going forward, the department will be overseeing seven state owned companies reporting to its portfolio.

#### Mid-year progress

In the first six months of 2014/15, the focus has been on finalising support packages for state owned companies. The department has continued to enhance its capacity to oversee infrastructure projects, with the projects oversight office having improved project performance in two key areas. These are the creation of a system that converts lessons learned into project and business process improvements, and preserving original project value. Furthermore, the department continues to facilitate cooperation between state owned companies within its portfolio to better leverage their capacity and capabilities. The department has concluded the development of the evaluation policy framework and the three-year rolling plan. This incorporates the evaluation of state owned companies' lead projects to ensure that these are independently evaluated. The integration of the socioeconomic indicators into the shareholder compact of state owned

companies has also been concluded. In this way, state owned companies have been able to increase their contribution towards skills development and local procurement.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	152 123	-	-	4 736	-	-	-	4 736	156 859
Legal and Governance	23 967	-	-	344	-	-	-	344	24 311
Portfolio Management and Strategic Partnerships	83 696	-	63 141	(5 080)	-	-	-	58 061	141 757
<b>Total</b>	<b>259 786</b>	<b>-</b>	<b>63 141</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63 141</b>	<b>322 927</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>255 617</b>	<b>-</b>	<b>-</b>	<b>(151)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(151)</b>	<b>255 466</b>
Compensation of employees	149 574	-	-	700	-	-	-	700	150 274
Goods and services	106 043	-	-	(851)	-	-	-	(851)	105 192
<b>Transfers and subsidies</b>	<b>100</b>	<b>-</b>	<b>63 141</b>	<b>151</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63 292</b>	<b>63 392</b>
Public corporations and private enterprises	-	-	63 141	-	-	-	-	63 141	63 141
Households	100	-	-	151	-	-	-	151	251
<b>Payments for capital assets</b>	<b>4 069</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 069</b>
Machinery and equipment	4 069	-	-	-	-	-	-	-	4 069
<b>Total</b>	<b>259 786</b>	<b>-</b>	<b>63 141</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63 141</b>	<b>322 927</b>

### Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	34 799	-	-	(516)	-	-	-	(516)	34 283
Management	18 180	-	-	(882)	-	-	-	(882)	17 298
Corporate Services	29 437	-	-	(337)	-	-	-	(337)	29 100
Chief Financial Officer	11 725	-	-	400	-	-	-	400	12 125
Human Resources	19 753	-	-	5 400	-	-	-	5 400	25 153
Communications	12 042	-	-	(589)	-	-	-	(589)	11 453
Strategic Planning, Monitoring and Evaluation	5 625	-	-	1 928	-	-	-	1 928	7 553
Intergovernmental Relations	7 657	-	-	(500)	-	-	-	(500)	7 157
Internal Audit	4 823	-	-	(168)	-	-	-	(168)	4 655
Office Accommodation	8 082	-	-	-	-	-	-	-	8 082
<b>Total</b>	<b>152 123</b>	<b>-</b>	<b>-</b>	<b>4 736</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 736</b>	<b>156 859</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>147 954</b>	<b>-</b>	<b>-</b>	<b>4 636</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 636</b>	<b>152 590</b>
Compensation of employees	70 972	-	-	3 692	-	-	-	3 692	74 664
Goods and services	76 982	-	-	944	-	-	-	944	77 926
<b>Transfers and subsidies</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>200</b>
Households	100	-	-	100	-	-	-	100	200
<b>Payments for capital assets</b>	<b>4 069</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 069</b>
Machinery and equipment	4 069	-	-	-	-	-	-	-	4 069
<b>Total</b>	<b>152 123</b>	<b>-</b>	<b>-</b>	<b>4 736</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 736</b>	<b>156 859</b>

**Programme 2: Legal and Governance**

Subprogramme	2014/15								Adjusted Appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Management	2 826	-	-	-	-	-	-	-	2 826
Legal	12 919	-	-	(584)	-	-	-	(584)	12 335
Governance	8 222	-	-	928	-	-	-	928	9 150
<b>Total</b>	<b>23 967</b>	<b>-</b>	<b>-</b>	<b>344</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>344</b>	<b>24 311</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>23 967</b>	<b>-</b>	<b>-</b>	<b>344</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>344</b>	<b>24 311</b>
Compensation of employees	18 198	-	-	(656)	-	-	-	(656)	17 542
Goods and services	5 769	-	-	1 000	-	-	-	1 000	6 769
<b>Total</b>	<b>23 967</b>	<b>-</b>	<b>-</b>	<b>344</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>344</b>	<b>24 311</b>

**Programme 3: Portfolio Management and Strategic Partnerships**

Subprogramme	2014/15								Adjusted Appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Energy and Broadband Enterprises	17 708	-	-	(216)	-	-	-	(216)	17 492
Manufacturing Enterprises	18 131	-	63 141	(880)	-	-	-	62 261	80 392
Transport Enterprises	24 297	-	-	(1 246)	-	-	-	(1 246)	23 051
Economic Impact and Policy Alignment	13 286	-	-	(1 716)	-	-	-	(1 716)	11 570
Strategic Partnerships	10 274	-	-	(1 022)	-	-	-	(1 022)	9 252
<b>Total</b>	<b>83 696</b>	<b>-</b>	<b>63 141</b>	<b>(5 080)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58 061</b>	<b>141 757</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>83 696</b>	<b>-</b>	<b>-</b>	<b>(5 131)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 131)</b>	<b>78 565</b>
Compensation of employees	60 404	-	-	(2 336)	-	-	-	(2 336)	58 068
Goods and services	23 292	-	-	(2 795)	-	-	-	(2 795)	20 497
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>63 141</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63 192</b>	<b>63 192</b>
Public corporations and private enterprises	-	-	63 141	-	-	-	-	63 141	63 141
Households	-	-	-	51	-	-	-	51	51
<b>Total</b>	<b>83 696</b>	<b>-</b>	<b>63 141</b>	<b>(5 080)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58 061</b>	<b>141 757</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Unforeseeable and unavoidable expenditure – R63.141 million**

Programme 3: Portfolio Management and Strategic Partnerships

An additional R63.141 million has been allocated to Denel for the ninth indemnity claim by Denel Aerostructures under the 2007 indemnity agreement with government, for the Airbus A400M contract.

**Virements and shifts**

Programmes			Programmes		
1. Administration					
2. Legal and Governance					
3. Portfolio Management and Strategic Partnerships					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(800)</b>	<b>Programme 1</b>		<b>800</b>
Goods and services	Consultants/professional: business and advisory services (strategic advice and support)	(700)	Compensation of employees	Provision for existing posts	700
	Consultants/professional: business and advisory services (strategic advice and support)	(100)	Households	Leave gratuities	100
Shifts within the programme as a percentage of the programme budget		0.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(656)</b>	<b>Programme 1</b>		<b>656</b>
Compensation of employees	Centralisation of the learnerships/interns budget in human resources	(656)	Compensation of employees	Centralisation of the learnerships/interns budget in human resources	656
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.7%</b>			
<b>Programme 3</b>		<b>(5 131)</b>	<b>Programme 1</b>		<b>1 744</b>
Goods and services	Consultants/professional: business and advisory services (licence and maintenance of primavera)	(1 744)	Goods and services	Consultants/professional: business and advisory services	1 744
	Consultants/professional: business and advisory services (corporate social investment)	(1 000)	<b>Programme 2</b>		<b>1 000</b>
	Item was over-budgeted for	(51)	Goods and services	Consultants/professional: business and advisory services	1 000
Compensation of employees	Centralisation of the learnerships/interns budget under human resources	(2 336)	<b>Programme 3</b>		<b>51</b>
			Households	Leave gratuities	51
			<b>Programme 1</b>		<b>2 336</b>
Compensation of employees	Centralisation of the learnerships/interns budget under human resources	(2 336)	Compensation of employees	Centralisation of the learnerships/interns budget under human resources	2 336
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>6.1%</b>			
<b>Total</b>		<b>(6 587)</b>	<b>6 587</b>		

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 adjusted % of appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 adjusted % of appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 adjusted % of appropriation	
R thousand										
Administration	131 032	52 151	39.8	133 294	101.7	156 859	48.6	62 802	40.0	
Legal and Governance	22 338	9 667	43.3	23 159	103.7	24 311	7.5	9 875	40.6	
Portfolio Management and Strategic Partnerships	140 769	23 389	16.6	116 015	82.4	141 757	43.9	30 054	21.2	
<b>Total</b>	<b>294 139</b>	<b>85 207</b>	<b>29.0</b>	<b>272 468</b>	<b>92.6</b>	<b>322 927</b>	<b>100.0</b>	<b>102 731</b>	<b>31.8</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>234 450</b>	<b>84 270</b>	<b>35.9</b>	<b>211 511</b>	<b>90.2</b>	<b>255 466</b>	<b>79.1</b>	<b>100 197</b>	<b>39.2</b>	
Compensation of employees	131 887	56 210	42.6	127 771	96.9	150 274	46.5	69 661	46.4	
Goods and services	102 563	28 060	27.4	83 740	81.6	105 192	32.6	30 536	29.0	
<b>Transfers and subsidies</b>	<b>57 405</b>	<b>102</b>	<b>0.2</b>	<b>57 612</b>	<b>100.4</b>	<b>63 392</b>	<b>19.6</b>	<b>212</b>	<b>0.3</b>	
Provinces and municipalities	-	-	0.0	2	0.0	-	0.0	-	0.0	
Public corporations and private enterprises	57 250	-	0.0	57 250	100.0	63 141	19.6	-	0.0	
Households	155	102	65.8	360	232.3	251	0.1	212	84.5	
<b>Payments for capital assets</b>	<b>2 284</b>	<b>835</b>	<b>36.6</b>	<b>3 250</b>	<b>142.3</b>	<b>4 069</b>	<b>1.3</b>	<b>2 322</b>	<b>57.1</b>	
Machinery and equipment	2 284	835	36.6	2 769	121.2	4 069	1.3	1 923	47.3	
Software and other intangible assets	-	-	0.0	481	0.0	-	0.0	399	0.0	
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>95</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	
<b>Total</b>	<b>294 139</b>	<b>85 207</b>	<b>29.0</b>	<b>272 468</b>	<b>92.6</b>	<b>322 927</b>	<b>100.0</b>	<b>102 731</b>	<b>31.8</b>	

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 92.6 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R102.731 million, or 31.8 per cent of the adjusted appropriation of R322.927 million for the year. In comparison, mid-year expenditure in 2013/14 was R85.207 million, or 29 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R17.524 million, or 20.6 per cent. This is mainly due to an



increase in compensation of employees as a result of more senior management positions being filled and projects carried over from the previous year being finalised.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome		Apr 13 - Mar 14		Budget estimate	Actual receipts			Apr 14 - Sep 14 adjusted estimate
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	
<b>Departmental receipts</b>	<b>174</b>	<b>106</b>	<b>60.9</b>	<b>373</b>	<b>214.4</b>	<b>102</b>	<b>202</b>	<b>100.0</b>	<b>37</b>	<b>18.3</b>
Sales of goods and services produced by department	52	28	53.8	60	115.4	50	66	32.7	34	51.5
Sales of scrap, waste, arms and other used current goods	3	-	0.0	-	0.0	4	4	2.0	-	0.0
Interest, dividends and rent on land	19	1	5.3	31	163.2	20	20	9.9	1	5.0
Transactions in financial assets and liabilities	100	77	77.0	282	282.0	28	112	55.4	2	1.8
<b>Total</b>	<b>174</b>	<b>106</b>	<b>60.9</b>	<b>373</b>	<b>214.4</b>	<b>102</b>	<b>202</b>	<b>100.0</b>	<b>37</b>	<b>18.3</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R37 000, or 18.3 per cent of the adjusted revenue estimate of R202 000 for the year. In comparison, mid-year revenue in 2013/14 was R106 000, or 60.9 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R69 000, or 65.1 per cent. This was mainly due to transactions in financial assets and liabilities.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	<b>100</b>	-	-	<b>100</b>	-	-	-	<b>100</b>	<b>200</b>
Gifts and donations	100	-	-	(45)	-	-	-	(45)	55
Employee social benefits	-	-	-	145	-	-	-	145	145
<b>Portfolio Management and Strategic Partnerships</b>									
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	-	-	<b>63 141</b>	-	-	-	-	<b>63 141</b>	<b>63 141</b>
Denel	-	-	63 141	-	-	-	-	63 141	63 141
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	<b>51</b>	-	-	-	<b>51</b>	<b>51</b>
Employee social benefits	-	-	-	51	-	-	-	51	51



# Vote 12

## Public Service and Administration

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>875 074</b>	<b>875 074</b>	-	-
<b>of which:</b>				
Current payments	478 590	475 317	(3 273)	-
Transfers and subsidies	390 163	391 902	-	1 739
Payments for capital assets	6 321	7 850	-	1 529
Payments for financial assets	-	5	-	5
Executive authority	Minister for Public Service and Administration			
Accounting officer	Director-General of Public Service and Administration			
Website address	www.dpsa.gov.za			

### Aim

*Lead the modernisation of the public service, through a generally applicable framework of norms and standards, to improve service delivery.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of departments submitting annual human resource development implementation plans per year	Human Resource Management and Development	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	153	100	-
Number of departments equipped with tools and skills in employee health and wellness policies per year	Human Resource Management and Development		138	100	-
Number of provincial and national departments supported in the implementation of human resource management and development policies, directives and guidelines per year	Human Resource Management and Development		50	31	-
Number of expenditure review and research reports produced per year	Labour Relations and Remuneration Management		4	-	-
Total number of Thusong service centres providing citizen focused services	Public Sector Information and Communication Technology Management		100	5	-
Number of departments in which quality methodologies on business process management have been rolled out per year	Service Delivery and Organisational Transformation		14	3	-
Number of national and provincial departments in which training in Batho Pele principles is conducted per year	Service Delivery and Organisational Transformation		20	4	-
Number of departments assisted with organisational development interventions per year	Service Delivery and Organisational Transformation		15	13	-
Number of departments supported with capacity building and assistance with the development of delegations per year	Service Delivery and Organisational Transformation		10	9	-
Number of national and provincial departments supported with the development of service delivery improvement plans per year	Service Delivery and Organisational Transformation		62	34	-

2014 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of departments in which employee satisfaction surveys are conducted per year	Governance and International Relations		10	-	-
Number of international governance and public administration projects implemented through departments and international agencies	Governance and International Relations	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	4	4	-
Number of international bilateral and multilateral engagements facilitated and coordinated per year	Governance and International Relations		4	9	-

### Mid-year progress

The department was unable to conduct expenditure reviews and compile research reports as planned. This was due to capacity constraints in the chief directorate responsible for delivery on this indicator, which the department is currently rectifying.

The department has only managed to ensure the functionality of 5 of the 100 connected Thusong service centres mainly due to an internal restructuring.

In relation to the rollout of quality methodologies on business process management, the department supported fewer departments than planned in the first six months of 2014/15. The plan is to conduct workshops on the implementation of selected business processes with 27 departments in November 2014, which should result in the target being exceeded.

The department has fallen behind in providing training on the Batho Pele principles to national and provincial departments, as a result of the organisational restructuring that took place. The *Governance and International Relations* programme will no longer conduct employee satisfaction surveys this year, due to a change in strategic focus.

As the department managed to facilitate and coordinate more international bilateral and multilateral engagements in the first six months of 2014/15, the target of 4 was exceeded.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	211 409	-	-	(3 985)	-	-	-	(3 985)	207 424
Human Resource Management and Development	37 557	-	-	710	-	-	-	710	38 267
Labour Relations and Remuneration Management	48 482	-	-	5 599	-	-	-	5 599	54 081
Public Sector Information and Communication Technology Management	37 554	-	-	(2 149)	-	-	-	(2 149)	35 405
Service Delivery and Organisational Transformation	237 764	-	-	7 910	-	-	-	7 910	245 674
Governance and International Relations	302 308	-	-	(8 085)	-	-	-	(8 085)	294 223
<b>Total</b>	<b>875 074</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>875 074</b>

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	<b>478 590</b>	-	-	<b>(3 273)</b>	-	-	-	<b>(3 273)</b>	<b>475 317</b>
Compensation of employees	265 846	-	-	(6 600)	-	-	-	(6 600)	259 246
Goods and services	212 744	-	-	3 327	-	-	-	3 327	216 071
<b>Transfers and subsidies</b>	<b>390 163</b>	-	-	<b>1 739</b>	-	-	-	<b>1 739</b>	<b>391 902</b>
Provinces and municipalities	-	-	-	4	-	-	-	4	4
Departmental agencies and accounts	389 336	-	-	-	-	-	-	-	389 336
Foreign governments and international organisations	827	-	-	-	-	-	-	-	827
Households	-	-	-	1 735	-	-	-	1 735	1 735
<b>Payments for capital assets</b>	<b>6 321</b>	-	-	<b>1 529</b>	-	-	-	<b>1 529</b>	<b>7 850</b>
Machinery and equipment	5 851	-	-	1 529	-	-	-	1 529	7 380
Software and other intangible assets	470	-	-	-	-	-	-	-	470
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>5</b>	-	-	-	<b>5</b>	<b>5</b>
<b>Total</b>	<b>875 074</b>	-	-	<b>-</b>	-	-	-	<b>-</b>	<b>875 074</b>

**Programme 1: Administration**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	46 720	-	-	(2 500)	-	-	-	(2 500)	44 220
Departmental Management	9 587	-	-	-	-	-	-	-	9 587
Corporate Services	91 159	-	-	8 515	-	-	-	8 515	99 674
Finance Administration	20 866	-	-	-	-	-	-	-	20 866
Internal Audit	5 814	-	-	-	-	-	-	-	5 814
Office Accommodation	37 263	-	-	(10 000)	-	-	-	(10 000)	27 263
<b>Total</b>	<b>211 409</b>	-	-	<b>(3 985)</b>	-	-	-	<b>(3 985)</b>	<b>207 424</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>206 937</b>	-	-	<b>(6 476)</b>	-	-	-	<b>(6 476)</b>	<b>200 461</b>
Compensation of employees	100 780	-	-	(6 251)	-	-	-	(6 251)	94 529
Goods and services	106 157	-	-	(225)	-	-	-	(225)	105 932
<b>Transfers and subsidies</b>	<b>67</b>	-	-	<b>1 555</b>	-	-	-	<b>1 555</b>	<b>1 622</b>
Provinces and municipalities	-	-	-	4	-	-	-	4	4
Departmental agencies and accounts	67	-	-	-	-	-	-	-	67
Households	-	-	-	1 551	-	-	-	1 551	1 551
<b>Payments for capital assets</b>	<b>4 405</b>	-	-	<b>931</b>	-	-	-	<b>931</b>	<b>5 336</b>
Machinery and equipment	4 285	-	-	931	-	-	-	931	5 216
Software and other intangible assets	120	-	-	-	-	-	-	-	120
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>5</b>	-	-	-	<b>5</b>	<b>5</b>
<b>Total</b>	<b>211 409</b>	-	-	<b>(3 985)</b>	-	-	-	<b>(3 985)</b>	<b>207 424</b>

**Programme 2: Human Resource Management and Development**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Management: Human Resource Management	2 929	-	-	-	-	-	-	-	2 929
Senior Management Services	4 870	-	-	(100)	-	-	-	(100)	4 770
Human Resource Planning, Performances and Practice	10 234	-	-	(200)	-	-	-	(200)	10 034
Diversity Management	5 363	-	-	-	-	-	-	-	5 363
Employee Health and Wellness	5 044	-	-	-	-	-	-	-	5 044
Human Resource Development	5 798	-	-	1 250	-	-	-	1 250	7 048
Integrated Financial Management Systems	3 319	-	-	(240)	-	-	-	(240)	3 079
<b>Total</b>	<b>37 557</b>	<b>-</b>	<b>-</b>	<b>710</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>710</b>	<b>38 267</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>37 383</b>	<b>-</b>	<b>-</b>	<b>669</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>669</b>	<b>38 052</b>
Compensation of employees	30 610	-	-	(41)	-	-	-	(41)	30 569
Goods and services	6 773	-	-	710	-	-	-	710	7 483
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>41</b>
Households	-	-	-	41	-	-	-	41	41
<b>Payments for capital assets</b>	<b>174</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174</b>
Machinery and equipment	174	-	-	-	-	-	-	-	174
<b>Total</b>	<b>37 557</b>	<b>-</b>	<b>-</b>	<b>710</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>710</b>	<b>38 267</b>

**Programme 3: Labour Relations and Remuneration Management**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Management: Labour Relations and Remuneration	3 433	-	-	183	-	-	-	183	3 616
Remuneration and Market Analysis	20 362	-	-	6 354	-	-	-	6 354	26 716
Conditions of Service	13 146	-	-	(362)	-	-	-	(362)	12 784
Labour Relations and Negotiations	11 541	-	-	(576)	-	-	-	(576)	10 965
<b>Total</b>	<b>48 482</b>	<b>-</b>	<b>-</b>	<b>5 599</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 599</b>	<b>54 081</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>48 345</b>	<b>-</b>	<b>-</b>	<b>5 587</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 587</b>	<b>53 932</b>
Compensation of employees	26 995	-	-	2 988	-	-	-	2 988	29 983
Goods and services	21 350	-	-	2 599	-	-	-	2 599	23 949
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>12</b>
Households	-	-	-	12	-	-	-	12	12
<b>Payments for capital assets</b>	<b>137</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>137</b>
Machinery and equipment	137	-	-	-	-	-	-	-	137
<b>Total</b>	<b>48 482</b>	<b>-</b>	<b>-</b>	<b>5 599</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 599</b>	<b>54 081</b>

**Programme 4: Public Sector Information and Communication Technology Management**

Subprogramme	2014/15									
	Main appropriation	Adjustments appropriation							Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
Management: Public Sector Information and Communication Technology	2 822	-	-	98	-	-	-	98	2 920	
E-Government	5 318	-	-	978	-	-	-	978	6 296	
Information and Communication Technology Policy and Planning	7 764	-	-	(36)	-	-	-	(36)	7 728	
Information and Communication Technology Infrastructure and Operations	21 650	-	-	(3 189)	-	-	-	(3 189)	18 461	
<b>Total</b>	<b>37 554</b>	<b>-</b>	<b>-</b>	<b>(2 149)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 149)</b>	<b>35 405</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>37 476</b>	<b>-</b>	<b>-</b>	<b>(2 151)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 151)</b>	<b>35 325</b>	
Compensation of employees	14 948	-	-	(2)	-	-	-	(2)	14 946	
Goods and services	22 528	-	-	(2 149)	-	-	-	(2 149)	20 379	
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>	
Households	-	-	-	2	-	-	-	2	2	
<b>Payments for capital assets</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78</b>	
Machinery and equipment	78	-	-	-	-	-	-	-	78	
<b>Total</b>	<b>37 554</b>	<b>-</b>	<b>-</b>	<b>(2 149)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 149)</b>	<b>35 405</b>	

**Programme 5: Service Delivery and Organisational Transformation**

Subprogramme	2014/15									
	Main appropriation	Adjustments appropriation							Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
Management: Service Delivery and Organisational Transformation	3 304	-	-	(178)	-	-	-	(178)	3 126	
Service Delivery Planning	4 318	-	-	178	-	-	-	178	4 496	
Service Delivery Improvement Mechanisms	10 000	-	-	650	-	-	-	650	10 650	
Organisational Development of the Public Sector	14 757	-	-	-	-	-	-	-	14 757	
Community Development and Participation	5 379	-	-	-	-	-	-	-	5 379	
Change Management	4 594	-	-	-	-	-	-	-	4 594	
Process and System Integrated Access Mechanisms	4 310	-	-	1 410	-	-	-	1 410	5 720	
National School of Government	138 508	-	-	-	-	-	-	-	138 508	
Centre for Public Service Innovation	22 304	-	-	3 000	-	-	-	3 000	25 304	
Public Service Sector Education and Training Authority	24 706	-	-	-	-	-	-	-	24 706	
Batho Pele	5 584	-	-	2 850	-	-	-	2 850	8 434	
<b>Total</b>	<b>237 764</b>	<b>-</b>	<b>-</b>	<b>7 910</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 910</b>	<b>245 674</b>	

**Programme 5: Service Delivery and Organisational Transformation (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>74 106</b>	-	-	<b>7 305</b>	-	-	-	<b>7 305</b>	<b>81 411</b>
Compensation of employees	49 249	-	-	543	-	-	-	543	49 792
Goods and services	24 857	-	-	6 762	-	-	-	6 762	31 619
<b>Transfers and subsidies</b>	<b>163 238</b>	-	-	<b>7</b>	-	-	-	<b>7</b>	<b>163 245</b>
Departmental agencies and accounts	163 238	-	-	-	-	-	-	-	163 238
Households	-	-	-	7	-	-	-	7	7
<b>Payments for capital assets</b>	<b>420</b>	-	-	<b>598</b>	-	-	-	<b>598</b>	<b>1 018</b>
Machinery and equipment	420	-	-	598	-	-	-	598	1 018
<b>Total</b>	<b>237 764</b>	-	-	<b>7 910</b>	-	-	-	<b>7 910</b>	<b>245 674</b>

**Programme 6: Governance and International Relations**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management: Governance and International Relations	3 662	-	-	(523)	-	-	-	(523)	3 139
Integrity and Ethics Management	12 813	-	-	(1 982)	-	-	-	(1 982)	10 831
International Cooperation	10 545	-	-	-	-	-	-	-	10 545
Monitoring and Evaluation	22 966	-	-	(5 380)	-	-	-	(5 380)	17 586
African Peer Review Mechanism	11 296	-	-	(200)	-	-	-	(200)	11 096
Integrated Public Administration Reforms	14 995	-	-	-	-	-	-	-	14 995
Public Service Commission	226 031	-	-	-	-	-	-	-	226 031
<b>Total</b>	<b>302 308</b>	-	-	<b>(8 085)</b>	-	-	-	<b>(8 085)</b>	<b>294 223</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>74 343</b>	-	-	<b>(8 207)</b>	-	-	-	<b>(8 207)</b>	<b>66 136</b>
Compensation of employees	43 264	-	-	(3 837)	-	-	-	(3 837)	39 427
Goods and services	31 079	-	-	(4 370)	-	-	-	(4 370)	26 709
<b>Transfers and subsidies</b>	<b>226 858</b>	-	-	<b>122</b>	-	-	-	<b>122</b>	<b>226 980</b>
Departmental agencies and accounts	226 031	-	-	-	-	-	-	-	226 031
Foreign governments and international organisations	827	-	-	-	-	-	-	-	827
Households	-	-	-	122	-	-	-	122	122
<b>Payments for capital assets</b>	<b>1 107</b>	-	-	-	-	-	-	-	<b>1 107</b>
Machinery and equipment	757	-	-	-	-	-	-	-	757
Software and other intangible assets	350	-	-	-	-	-	-	-	350
<b>Total</b>	<b>302 308</b>	-	-	<b>(8 085)</b>	-	-	-	<b>(8 085)</b>	<b>294 223</b>



## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

#### Programmes

1. Administration
2. Human Resource Management and Development
3. Labour Relations and Remuneration Management
4. Public Sector Information and Communication Technology Management
5. Service Delivery and Organisational Transformation
6. Governance and International Relations

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(7 891)</b>	<b>Programme 1</b>		<b>940</b>
Goods and services	Cost containment measures effected on communication and advertising	(931)	Machinery and equipment	Car for the minister and payment of other capital assets	931
	Cost containment measures effected on communication and advertising	(5)	Payments for financial assets	Damages and losses	5
	Reallocation of funding for contractors due to over-budgeting for the item in the 2014 ENE	(4)	Provinces and municipalities	Vehicle licences	4
	Cost containment measures effected on computer services and consultants	(500)	<b>Programme 3</b>		<b>500</b>
	Cost containment measures effected on operating payments	(200)	Goods and services	Extension of the term of the Presidential Public Service Remuneration Review Commission	500
			<b>Programme 6</b>		<b>200</b>
			Goods and services	Projected funding shortfall in the ethics and integrity unit	200
Compensation of employees	Vacant posts	(1 551)	<b>Programme 1</b>		<b>1 551</b>
	Vacant posts	(1 700)	Households	Leave gratuities	1 551
	Vacant posts	(550)	<b>Programme 3</b>		<b>1 700</b>
	Vacant posts	(1 900)	Compensation of employees	Extension of the term of the Presidential Public Service Remuneration Review Commission	1 700
	Vacant posts	(550)	<b>Programme 5</b>		<b>3 000</b>
	Vacant posts	(550)	Compensation of employees	Additional capacity for the Centre for Public Service Innovation	550
			Goods and services	IT and financial systems for the Centre for Public Service Innovation	1 900
			Machinery and equipment	IT and financial systems for the Centre for Public Service Innovation	550
Shifts within the programme as a percentage of the programme budget		1.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.6%</b>			
<b>Programme 2</b>		<b>(381)</b>	<b>Programme 6</b>		<b>340</b>
Goods and services	Cost containment measures effected on travel and subsistence	(340)	Goods and services	Projected shortfall in the ethics and integrity unit	340
Compensation of employees	Vacant posts	(41)	<b>Programme 2</b>		<b>41</b>
			Households	Leave gratuities	41
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.9%</b>			
<b>Programme 3</b>		<b>(1 062)</b>	<b>Programme 2</b>		<b>1 050</b>
Goods and services	Cost containment measures effected on consultants and travel and subsistence	(1 050)	Goods and services	Projected shortfall in the graduate and youth development recruitment programme	1 050
Compensation of employees	Vacant posts	(12)	<b>Programme 3</b>		<b>12</b>
			Households	Leave gratuities	12
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.2%</b>			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(2 151)</b>	<b>Programme 3</b>		<b>2 149</b>
Goods and services	Underspending in initial budget due to delays in the ICT connection of the Thusong service centres	(2 149)	Goods and services	Extension of the term of the Presidential Public Service Remuneration Review Commission	2 149
Compensation of employees	Vacant posts	(2)	<b>Programme 4</b>		<b>2</b>
			Households	Leave gratuities	2
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>5.7%</b>			
<b>Programme 5</b>		<b>(55)</b>	<b>Programme 5</b>		<b>55</b>
Goods and services	Cost containment measures effected on computer services and consultants	(48)	Machinery and equipment	Shortfall in payment of capital assets	48
Compensation of employees	Vacant posts	(7)	Households	Leave gratuities	7
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 6</b>		<b>(8 747)</b>	<b>Programme 1</b>		<b>1 415</b>
Goods and services	Cost containment measures effected on travel and subsistence	(1 415)	Goods and services	Projected shortfall in departmental legal services	1 415
	Cost containment measures effected on travel and subsistence	(1 000)	<b>Programme 3</b>		<b>1 000</b>
	Cost containment measures effected on travel and subsistence	(2 495)	Goods and services	Extension of the term of the Presidential Public Service Remuneration Review Commission	1 000
Compensation of employees	Vacant posts	(1 300)	<b>Programme 5</b>		<b>2 495</b>
	Vacant posts	(2 415)	Goods and services	Annual Batho Pele awards	2 495
	Vacant posts	(122)	<b>Programme 3</b>		<b>1 300</b>
			Compensation of employees	Extension of the term of the Presidential Public Service Remuneration Review Commission	1 300
			<b>Programme 5</b>		<b>2 415</b>
			Goods and services	Annual Batho Pele awards	2 415
			<b>Programme 6</b>		<b>122</b>
			Households	Leave gratuities	122
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.9%</b>			
<b>Total</b>		<b>(20 287)</b>			<b>20 287</b>

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
Administration	192 802	98 308	51.0	210 161	109.0	207 424	23.7	84 731	40.8
Human Resource Management and Development	43 239	19 091	44.2	39 286	90.9	38 267	4.4	18 080	47.2
Labour Relations and Remuneration Management	53 034	12 260	23.1	28 578	53.9	54 081	6.2	16 708	30.9
Public Sector Information and Communication Technology Management	36 260	12 518	34.5	25 773	71.1	35 405	4.0	7 484	21.1
Service Delivery and Organisational Transformation	234 024	100 446	42.9	231 553	98.9	245 674	28.1	134 874	54.9
Governance and International Relations	270 372	139 872	51.7	273 752	101.3	294 223	33.6	138 011	46.9
<b>Total</b>	<b>829 731</b>	<b>382 495</b>	<b>46.1</b>	<b>809 103</b>	<b>97.5</b>	<b>875 074</b>	<b>100.0</b>	<b>399 888</b>	<b>45.7</b>

Economic classification	2013/14					2014/15				
	Adjusted appropriation	Audited outcome		Apr 13 - Mar 14		Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure		
Apr 13 - Sep 13		Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Apr 14 - Sep 14			Apr 14 - Sep 14 % of adjusted appropriation		
R thousand										
<b>Current payments</b>	<b>467 533</b>	<b>209 959</b>	<b>44.9</b>	<b>442 280</b>	<b>94.6</b>	<b>475 317</b>	<b>54.3</b>	<b>185 964</b>	<b>39.1</b>	
Compensation of employees	267 163	118 786	44.5	241 488	90.4	259 246	29.6	122 377	47.2	
Goods and services	200 370	91 173	45.5	200 792	100.2	216 071	24.7	63 587	29.4	
<b>Transfers and subsidies</b>	<b>357 947</b>	<b>167 304</b>	<b>46.7</b>	<b>358 225</b>	<b>100.1</b>	<b>391 902</b>	<b>44.8</b>	<b>210 533</b>	<b>53.7</b>	
Provinces and municipalities	1	2	200.0	4	400.0	4	0.0	4	100.0	
Departmental agencies and accounts	356 476	166 290	46.6	356 370	100.0	389 336	44.5	209 339	53.8	
Foreign governments and international organisations	908	429	47.2	1 016	111.9	827	0.1	21	2.5	
Households	562	583	103.7	835	148.6	1 735	0.2	1 169	67.4	
<b>Payments for capital assets</b>	<b>4 251</b>	<b>5 150</b>	<b>121.1</b>	<b>8 436</b>	<b>198.4</b>	<b>7 850</b>	<b>0.9</b>	<b>3 386</b>	<b>43.1</b>	
Machinery and equipment	4 251	5 017	118.0	7 953	187.1	7 380	0.8	3 375	45.7	
Software and other intangible assets	-	133	0.0	483	0.0	470	0.1	11	2.3	
<b>Payments for financial assets</b>	<b>-</b>	<b>82</b>	<b>0.0</b>	<b>162</b>	<b>0.0</b>	<b>5</b>	<b>0.0</b>	<b>5</b>	<b>100.0</b>	
<b>Total</b>	<b>829 731</b>	<b>382 495</b>	<b>46.1</b>	<b>809 103</b>	<b>97.5</b>	<b>875 074</b>	<b>100.0</b>	<b>399 888</b>	<b>45.7</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 97.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R399.888 million, or 45.7 per cent of the adjusted appropriation of R875.074 million for the year. In comparison, mid-year expenditure in 2013/14 was R382.495 million, or 46.1 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R17.393 million, or 4.5 per cent. This was mainly due to more funds being transferred to the National School of Government.

### Departmental receipts

	2013/14					2014/15				
	Adjusted estimate	Audited outcome		Apr 13 - Mar 14		Budget estimate	Actual receipts		Apr 14 - Sep 14	
Apr 13 - Sep 13		Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Adjusted estimate		Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate	
R thousand										
<b>Departmental receipts</b>	<b>1 151</b>	<b>888</b>	<b>77.2</b>	<b>1 293</b>	<b>112.3</b>	<b>831</b>	<b>1 202</b>	<b>100.0</b>	<b>784</b>	<b>65.2</b>
Sales of goods and services produced by department	234	119	50.9	261	111.5	316	526	43.8	348	66.2
Transfers received	675	675	100.0	675	100.0	-	-	0.0	-	0.0
Interest, dividends and rent on land	5	1	20.0	2	40.0	40	10	0.8	2	20.0
Transactions in financial assets and liabilities	237	93	39.2	355	149.8	475	666	55.4	434	65.2
<b>Total</b>	<b>1 151</b>	<b>888</b>	<b>77.2</b>	<b>1 293</b>	<b>112.3</b>	<b>831</b>	<b>1 202</b>	<b>100.0</b>	<b>784</b>	<b>65.2</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R784 000 or 65.2 per cent of the adjusted revenue estimate of R1.202 million for the year. In comparison, mid-year revenue in 2013/14 was R888 000 or 77.2 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R104 000 or 11.7 per cent. This was mainly because the department did not receive a sponsorship for the IT summit, which it had received in previous years.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15							Adjusted appropriation	
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	-	-	-	4	-	-	-	4	4
Vehicle licences	-	-	-	4	-	-	-	4	4
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	1 551	-	-	-	1 551	1 551
Employee social benefits	-	-	-	1 551	-	-	-	1 551	1 551
<b>Human Resource Management and Development</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	41	-	-	-	41	41
Employee social benefits	-	-	-	41	-	-	-	41	41
<b>Labour Relations and Remuneration Management</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	12	-	-	-	12	12
Employee social benefits	-	-	-	12	-	-	-	12	12
<b>Public Sector Information and Communication Technology Management</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	2	-	-	-	2	2
Employee social benefits	-	-	-	2	-	-	-	2	2
<b>Service Delivery and Organisational Transformation</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	7	-	-	-	7	7
Employee social benefits	-	-	-	7	-	-	-	7	7
<b>Governance and International Relations</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	122	-	-	-	122	122
Employee social benefits	-	-	-	122	-	-	-	122	122

## Statistics South Africa

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>2 242 514</b>	<b>2 242 514</b>	-	-
<b>of which:</b>				
Current payments	1 767 737	1 763 776	(3 961)	-
Transfers and subsidies	15 115	17 343	-	2 228
Payments for capital assets	459 662	461 395	-	1 733
Executive authority	Minister in the Presidency: Planning, Monitoring and Evaluation			
Accounting officer	Statistician-General of Statistics South Africa			
Website address	www.statssa.gov.za			

### Aim

*Provide a relevant and accurate body of statistics by applying internationally recognised practices to inform users on the dynamics in the economy and society.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the department now reports to the Minister in the Presidency: Planning, Monitoring and Evaluation. This is an administrative shift and no programme names or programme purposes are affected.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of quarterly and annual GDP estimates releases per year	Economic Statistics	Outcome 4: Decent employment through inclusive economic growth	4	2	-
Number of releases on industry and trade statistics per year	Economic Statistics		150	76	-
Number of releases on employment and earnings per year	Economic Statistics		4	2	-
Number of releases on financial statistics per year	Economic Statistics		17	10	-
Number of consumer price index releases per year	Economic Statistics		12	6	-
Number of producer price index releases per year	Economic Statistics		12	6	-
Number of releases on labour market dynamics per year	Population and Social Statistics	Outcome 2: A long and healthy life for all South Africans	4	2	-
Number of releases on living circumstances, service delivery and poverty	Population and Social Statistics		7	3	-
Number of releases on the changing profile of the population per year	Population and Social Statistics		17	2	-
Number of municipalities demarcated per year	Statistical Support and Informatics	Outcome 8: Sustainable human settlements and improved quality of household life	234	47	-

### Mid-year progress

As at 30 September 2014, the *Economic Statistics* programme had published 102 of the 199 statistical releases as scheduled in the first six months of 2014/15. Statistical information was published on 10 industries of the economy and included the quarterly GDP, industry and trade statistics, price statistics

and financial statistics on the public and private sectors. The remaining releases and annual reports are on track to be published in the third and fourth quarter of 2014/15.

The *Population and Social Statistics* programme published 7 releases at the end of September 2014. Only 2 monthly releases have been published on the changing profile of the population. The delay is due to data quality challenges within the Department of Home Affairs, which informs the information published by Statistics South Africa. The demarcation of municipalities is on track, with 47 municipalities (including metros) demarcated as at the end of September 2014, which is equal to approximately 50 per cent of enumerator areas.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	934 719	-	-	(20 303)	-	-	-	(20 303)	914 416
Economic Statistics	210 542	-	-	(7 787)	-	-	-	(7 787)	202 755
Population and Social Statistics	117 850	-	-	32 121	-	-	-	32 121	149 971
Methodology, Standards and Research	65 453	-	-	(5 236)	-	-	-	(5 236)	60 217
Statistical Support and Informatics	245 143	-	-	(9 549)	-	-	-	(9 549)	235 594
Statistical Collection and Outreach	524 545	-	-	116	-	-	-	116	524 661
Survey Operations	144 262	-	-	10 638	-	-	-	10 638	154 900
<b>Total</b>	<b>2 242 514</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 242 514</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 767 737</b>	<b>-</b>	<b>-</b>	<b>(3 961)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 961)</b>	<b>1 763 776</b>
Compensation of employees	1 231 651	-	-	(14 889)	-	-	-	(14 889)	1 216 762
Goods and services	536 086	-	-	10 928	-	-	-	10 928	547 014
<b>Transfers and subsidies</b>	<b>15 115</b>	<b>-</b>	<b>-</b>	<b>2 228</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 228</b>	<b>17 343</b>
Departmental agencies and accounts	6	-	-	-	-	-	-	-	6
Higher education institutions	8 840	-	-	-	-	-	-	-	8 840
Public corporations and private enterprises	-	-	-	2 150	-	-	-	2 150	2 150
Non-profit institutions	310	-	-	-	-	-	-	-	310
Households	5 959	-	-	78	-	-	-	78	6 037
<b>Payments for capital assets</b>	<b>459 662</b>	<b>-</b>	<b>-</b>	<b>1 733</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 733</b>	<b>461 395</b>
Buildings and other fixed structures	421 173	-	-	-	-	-	-	-	421 173
Machinery and equipment	33 896	-	-	1 733	-	-	-	1 733	35 629
Software and other intangible assets	4 593	-	-	-	-	-	-	-	4 593
<b>Total</b>	<b>2 242 514</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 242 514</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Departmental Management	36 158	-	-	(6 240)	-	-	-	(6 240)	29 918
Corporate Services	211 027	-	-	(23 091)	-	-	-	(23 091)	187 936
Financial Administration	86 251	-	-	(10 019)	-	-	-	(10 019)	76 232
Internal Audit	11 938	-	-	(1 625)	-	-	-	(1 625)	10 313
National Statistics System	29 727	-	-	499	-	-	-	499	30 226
Office Accommodation	559 618	-	-	20 173	-	-	-	20 173	579 791
<b>Total</b>	<b>934 719</b>	<b>-</b>	<b>-</b>	<b>(20 303)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20 303)</b>	<b>914 416</b>

**Programme 1: Administration (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>491 006</b>	–	–	(20 894)	–	–	–	(20 894)	<b>470 112</b>
Compensation of employees	243 787	–	–	(23 322)	–	–	–	(23 322)	220 465
Goods and services	247 219	–	–	2 428	–	–	–	2 428	249 647
<b>Transfers and subsidies</b>	<b>14 849</b>	–	–	–	–	–	–	–	<b>14 849</b>
Departmental agencies and accounts	5	–	–	–	–	–	–	–	5
Higher education institutions	8 840	–	–	–	–	–	–	–	8 840
Non-profit institutions	110	–	–	–	–	–	–	–	110
Households	5 894	–	–	–	–	–	–	–	5 894
<b>Payments for capital assets</b>	<b>428 864</b>	–	–	<b>591</b>	–	–	–	<b>591</b>	<b>429 455</b>
Buildings and other fixed structures	421 173	–	–	–	–	–	–	–	421 173
Machinery and equipment	7 691	–	–	591	–	–	–	591	8 282
<b>Total</b>	<b>934 719</b>	–	–	<b>(20 303)</b>	–	–	–	<b>(20 303)</b>	<b>914 416</b>

**Programme 2: Economic Statistics**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Economic Statistics	3 333	–	–	(341)	–	–	–	(341)	2 992
Short Term Indicators	30 583	–	–	(2 177)	–	–	–	(2 177)	28 406
Structural Industry Statistics	37 383	–	–	(3 925)	–	–	–	(3 925)	33 458
Price Statistics	67 148	–	–	(935)	–	–	–	(935)	66 213
Private Sector Finance Statistics	28 218	–	–	(168)	–	–	–	(168)	28 050
Government Finance Statistics	15 324	–	–	(274)	–	–	–	(274)	15 050
National Accounts	12 448	–	–	(789)	–	–	–	(789)	11 659
Economic Analysis	16 105	–	–	822	–	–	–	822	16 927
<b>Total</b>	<b>210 542</b>	–	–	<b>(7 787)</b>	–	–	–	<b>(7 787)</b>	<b>202 755</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>209 647</b>	–	–	<b>(8 094)</b>	–	–	–	<b>(8 094)</b>	<b>201 553</b>
Compensation of employees	181 042	–	–	(69)	–	–	–	(69)	180 973
Goods and services	28 605	–	–	(8 025)	–	–	–	(8 025)	20 580
<b>Transfers and subsidies</b>	<b>1</b>	–	–	<b>69</b>	–	–	–	<b>69</b>	<b>70</b>
Departmental agencies and accounts	1	–	–	–	–	–	–	–	1
Households	–	–	–	69	–	–	–	69	69
<b>Payments for capital assets</b>	<b>894</b>	–	–	<b>238</b>	–	–	–	<b>238</b>	<b>1 132</b>
Machinery and equipment	894	–	–	238	–	–	–	238	1 132
<b>Total</b>	<b>210 542</b>	–	–	<b>(7 787)</b>	–	–	–	<b>(7 787)</b>	<b>202 755</b>

**Programme 3: Population and Social Statistics**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Population and Social Statistics	4 369	–	–	193	–	–	–	193	4 562
Population Statistics	7 587	–	–	(434)	–	–	–	(434)	7 153
Health and Vital Statistics	13 284	–	–	(1 157)	–	–	–	(1 157)	12 127
Social Statistics	13 732	–	–	(755)	–	–	–	(755)	12 977
Demographic Analysis	14 599	–	–	(2 064)	–	–	–	(2 064)	12 535
Labour Statistics	40 813	–	–	(1 238)	–	–	–	(1 238)	39 575
Poverty and Inequality Statistics	23 466	–	–	37 576	–	–	–	37 576	61 042
<b>Total</b>	<b>117 850</b>	–	–	<b>32 121</b>	–	–	–	<b>32 121</b>	<b>149 971</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>117 053</b>	–	–	<b>31 583</b>	–	–	–	<b>31 583</b>	<b>148 636</b>
Compensation of employees	93 873	–	–	18 163	–	–	–	18 163	112 036
Goods and services	23 180	–	–	13 420	–	–	–	13 420	36 600
<b>Transfers and subsidies</b>	<b>200</b>	–	–	–	–	–	–	–	<b>200</b>
Non-profit institutions	200	–	–	–	–	–	–	–	200
<b>Payments for capital assets</b>	<b>597</b>	–	–	<b>538</b>	–	–	–	<b>538</b>	<b>1 135</b>
Machinery and equipment	504	–	–	538	–	–	–	538	1 042
Software and other intangible assets	93	–	–	–	–	–	–	–	93
<b>Total</b>	<b>117 850</b>	–	–	<b>32 121</b>	–	–	–	<b>32 121</b>	<b>149 971</b>

**Programme 4: Methodology, Standards and Research**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Methodology, Standards and Research	3 697	-	-	(1 241)	-	-	-	(1 241)	2 456
Policy Research and Analysis	6 503	-	-	(511)	-	-	-	(511)	5 992
Methodology and Evaluation	17 064	-	-	(2 860)	-	-	-	(2 860)	14 204
Survey Standards	6 907	-	-	(1 467)	-	-	-	(1 467)	5 440
Business Register	31 282	-	-	843	-	-	-	843	32 125
<b>Total</b>	<b>65 453</b>	<b>-</b>	<b>-</b>	<b>(5 236)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 236)</b>	<b>60 217</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>64 874</b>	<b>-</b>	<b>-</b>	<b>(5 236)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 236)</b>	<b>59 638</b>
Compensation of employees	59 430	-	-	(3 782)	-	-	-	(3 782)	55 648
Goods and services	5 444	-	-	(1 454)	-	-	-	(1 454)	3 990
<b>Payments for capital assets</b>	<b>579</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>579</b>
Machinery and equipment	579	-	-	-	-	-	-	-	579
<b>Total</b>	<b>65 453</b>	<b>-</b>	<b>-</b>	<b>(5 236)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 236)</b>	<b>60 217</b>

**Programme 5: Statistical Support and Informatics**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Statistical Support and Informatics	2 810	-	-	335	-	-	-	335	3 145
Geography Services	24 813	-	-	(4 504)	-	-	-	(4 504)	20 309
Geography Frames	24 087	-	-	(4 408)	-	-	-	(4 408)	19 679
Publication Services	28 290	-	-	2 087	-	-	-	2 087	30 377
Data Management and Technology	119 734	-	-	(1 215)	-	-	-	(1 215)	118 519
Business Modernisation	45 409	-	-	(1 844)	-	-	-	(1 844)	43 565
<b>Total</b>	<b>245 143</b>	<b>-</b>	<b>-</b>	<b>(9 549)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9 549)</b>	<b>235 594</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>228 085</b>	<b>-</b>	<b>-</b>	<b>(11 723)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11 723)</b>	<b>216 362</b>
Compensation of employees	124 122	-	-	(9 511)	-	-	-	(9 511)	114 611
Goods and services	103 963	-	-	(2 212)	-	-	-	(2 212)	101 751
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 150</b>	<b>2 150</b>
Public corporations and private enterprises	-	-	-	2 150	-	-	-	2 150	2 150
<b>Payments for capital assets</b>	<b>17 058</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>17 082</b>
Machinery and equipment	12 558	-	-	24	-	-	-	24	12 582
Software and other intangible assets	4 500	-	-	-	-	-	-	-	4 500
<b>Total</b>	<b>245 143</b>	<b>-</b>	<b>-</b>	<b>(9 549)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9 549)</b>	<b>235 594</b>

**Programme 6: Statistical Collection and Outreach**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Statistical Collection and Outreach	8 572	-	-	(1 004)	-	-	-	(1 004)	7 568
International Statistical Development and Cooperation	13 606	-	-	(2 407)	-	-	-	(2 407)	11 199
Provincial and District Offices	466 670	-	-	6 967	-	-	-	6 967	473 637
Stakeholders Relations and Marketing	19 070	-	-	(293)	-	-	-	(293)	18 777
Corporate Communications	16 627	-	-	(3 147)	-	-	-	(3 147)	13 480
<b>Total</b>	<b>524 545</b>	<b>-</b>	<b>-</b>	<b>116</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116</b>	<b>524 661</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>513 504</b>	<b>-</b>	<b>-</b>	<b>(177)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(177)</b>	<b>513 327</b>
Compensation of employees	411 340	-	-	(2 600)	-	-	-	(2 600)	408 740
Goods and services	102 164	-	-	2 423	-	-	-	2 423	104 587



**Programme 6: Statistical Collection and Outreach (continued)**

Economic Classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Transfers and subsidies</b>	<b>65</b>	-	-	<b>9</b>	-	-	-	<b>9</b>	<b>74</b>
Households	65	-	-	9	-	-	-	9	74
<b>Payments for capital assets</b>	<b>10 976</b>	-	-	<b>284</b>	-	-	-	<b>284</b>	<b>11 260</b>
Machinery and equipment	10 976	-	-	284	-	-	-	284	11 260
<b>Total</b>	<b>524 545</b>	-	-	<b>116</b>	-	-	-	<b>116</b>	<b>524 661</b>

**Programme 7: Survey Operations**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for Survey Operations	13 404	-	-	(2 559)	-	-	-	(2 559)	10 845
Census and Community Survey Operations	22 365	-	-	(2 859)	-	-	-	(2 859)	19 506
Household Survey Operations	27 241	-	-	21 321	-	-	-	21 321	48 562
Corporate Data Processing	63 346	-	-	(2 875)	-	-	-	(2 875)	60 471
Survey Coordination, Monitoring and Evaluation	17 906	-	-	(2 390)	-	-	-	(2 390)	15 516
<b>Total</b>	<b>144 262</b>	-	-	<b>10 638</b>	-	-	-	<b>10 638</b>	<b>154 900</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>143 568</b>	-	-	<b>10 580</b>	-	-	-	<b>10 580</b>	<b>154 148</b>
Compensation of employees	118 057	-	-	6 232	-	-	-	6 232	124 289
Goods and services	25 511	-	-	4 348	-	-	-	4 348	29 859
<b>Payments for capital assets</b>	<b>694</b>	-	-	<b>58</b>	-	-	-	<b>58</b>	<b>752</b>
Machinery and equipment	694	-	-	58	-	-	-	58	752
<b>Total</b>	<b>144 262</b>	-	-	<b>10 638</b>	-	-	-	<b>10 638</b>	<b>154 900</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Virements and shifts****Programmes**

- Administration
- Economic Statistics
- Population and Social Statistics
- Methodology, Standards and Research
- Statistical Support and Informatics
- Statistical Collection and Outreach
- Survey Operations

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(23 913)</b>	<b>Programme 1</b>		<b>3 610</b>
Goods and services	Reclassification of expenses related to cellphone contracts on the standard chart of accounts	(591)	Machinery and equipment	Reclassification of cellphone contract item from goods and services to payments for capital assets	591
Compensation of employees	Vacant posts	(3 019)	Goods and services	Projected shortfall for office accommodation charges	3 019
	Vacant posts	(3 536)	<b>Programme 3</b>	Compensation of employees	<b>3 536</b>
	Vacant posts	(2 286)	<b>Programme 6</b>	Goods and services	<b>2 286</b>
	Vacant posts	(14 481)	<b>Programme 7</b>	Compensation of employees	<b>14 481</b>
				Listing of the master sample project	14 481
Shifts within the programme as a percentage of the programme budget		0.4%			
Virements to other programmes as a percentage of the programme budget		2.2%			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(8 094)</b>	<b>Programme 2</b>		<b>238</b>
Goods and services	Reclassification of expenses related to cellphone contracts on the standard chart of accounts	(238)	Machinery and equipment	Reclassification of cellphone contract item from goods and services to payments for capital assets	238
	Cost containment measures effected mainly on travel and subsistence; venues and facilities; operating payments; catering; communication; stationery; and consultants	(7 787)	<b>Programme 3</b>		<b>7 787</b>
			Goods and services	The living conditions survey	7 787
Compensation of employees	Vacant posts	(69)	<b>Programme 2</b>		<b>69</b>
			Households	Leave gratuities	69
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.7%</b>			
<b>Programme 3</b>		<b>(538)</b>	<b>Programme 3</b>		<b>538</b>
Goods and services	Reclassification of expenses related to cellphone contracts on the standard chart of accounts	(538)	Machinery and equipment	Reclassification of cell phone contract item from goods and services to payments for capital assets	538
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(5 236)</b>	<b>Programme 3</b>		<b>5 090</b>
Goods and services	Cost containment measures effected mainly on entertainment; travel and subsistence; venues and facilities; catering; and stationery	(1 454)	Goods and services	The living conditions survey	1 454
Compensation of employees	Vacant posts	(3 636)	Compensation of employees	The living conditions survey	3 636
	Vacant posts	(146)	<b>Programme 7</b>		<b>146</b>
			Goods and services	Listing of the master sample project	146
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>8.0%</b>			
<b>Programme 5</b>		<b>(11 723)</b>	<b>Programme 3</b>		<b>213</b>
Goods and services	Cost containment measures effected mainly on travel and subsistence; venues and facilities; catering; communication, and stationery	(213)	Goods and services	The living conditions survey	213
	Reclassification of expenses related to cellphone contracts on the standard chart of accounts	(24)	<b>Programme 5</b>		<b>24</b>
			Machinery and equipment	Reclassification of cellphone contract item from goods and services to payments for capital assets	24
	Cost containment measures effected mainly on travel and subsistence	(421)	<b>Programme 6</b>		<b>421</b>
			Goods and services	Projected shortfall in fleet service costs	421
	Cost containment measures effected mainly on computer services; travel and subsistence; venues and facilities; stationery; and consultants	(1 554)	<b>Programme 7</b>		<b>1 554</b>
			Goods and services	Listing of the master sample project	1 554
Compensation of employees	Vacant posts	(645)	<b>Programme 3</b>		<b>5 149</b>
			Compensation of employees	The living conditions survey	645
	Vacant posts	(4 504)	Goods and services	The living conditions survey	4 504
	Vacant posts	(2 150)	<b>Programme 5</b>		<b>2 150</b>
			Public corporations and private enterprises	Payment of an out of court settlement to Motion Boikanyo (Pty) Ltd related to a breach of contract	2 150
	Vacant posts	(2 212)	<b>Programme 7</b>		<b>2 212</b>
			Goods and services	Listing of the master sample project	2 212
Shifts within the programme as a percentage of the programme budget		0.9%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.9%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 6</b>		<b>(2 884)</b>	<b>Programme 6</b>		<b>284</b>
Goods and services	Reclassification of expenses related to cellphone contracts on the standard chart of accounts	(284)	Machinery and equipment	Reclassification of cellphone contract item from goods and services to payments for capital assets	284
Compensation of employees	Vacant posts	(2 097)	<b>Programme 3</b>		<b>2 097</b>
	Vacant posts	(9)	Compensation of employees	The living conditions survey	2 097
	Vacant posts	(494)	<b>Programme 6</b>		<b>9</b>
			Households	Leave gratuities	9
			<b>Programme 7</b>		<b>494</b>
			Goods and services	Listing of the master sample project	494
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.5%			
<b>Programme 7</b>		<b>(8 307)</b>	<b>Programme 7</b>		<b>58</b>
Goods and services	Reclassification of expenses related to cellphone contracts on the standard chart of accounts	(58)	Machinery and equipment	Reclassification of cellphone contract item from goods and services to payments for capital assets	58
Compensation of employees	Vacant posts	(8 249)	<b>Programme 3</b>		<b>8 249</b>
			Compensation of employees	The living conditions survey	8 249
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		5.7%			
<b>Total</b>		<b>(60 695)</b>			<b>60 695</b>

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
Administration	530 814	263 083	49.6	554 173	104.4	914 416	40.8	276 820	30.3
Economic Statistics	196 729	91 654	46.6	187 223	95.2	202 755	9.0	97 289	48.0
Population and Social Statistics	109 573	43 221	39.4	102 101	93.2	149 971	6.7	51 729	34.5
Methodology, Standards and Research	62 902	25 402	40.4	51 201	81.4	60 217	2.7	26 452	43.9
Statistical Support and Informatics	218 748	105 283	48.1	210 687	96.3	235 594	10.5	85 345	36.2
Statistical Collection and Outreach	474 886	230 303	48.5	473 507	99.7	524 661	23.4	258 393	49.2
Survey Operations	147 994	74 891	50.6	149 555	101.1	154 900	6.9	75 951	49.0
<b>Total</b>	<b>1 741 646</b>	<b>833 837</b>	<b>47.9</b>	<b>1 728 447</b>	<b>99.2</b>	<b>2 242 514</b>	<b>100.0</b>	<b>871 979</b>	<b>38.9</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 691 967</b>	<b>814 041</b>	<b>48.1</b>	<b>1 676 059</b>	<b>99.1</b>	<b>1 763 776</b>	<b>78.7</b>	<b>779 464</b>	<b>44.2</b>
Compensation of employees	1 103 308	532 788	48.3	1 080 084	97.9	1 216 762	54.3	572 057	47.0
Goods and services	588 659	281 253	47.8	595 975	101.2	547 014	24.4	207 407	37.9
<b>Transfers and subsidies</b>	<b>17 671</b>	<b>3 849</b>	<b>21.8</b>	<b>8 238</b>	<b>46.6</b>	<b>17 343</b>	<b>0.8</b>	<b>8 157</b>	<b>47.0</b>
Departmental agencies and accounts	64	4	6.3	53	82.8	6	0.0	12	200.0
Higher education institutions	8 840	-	0.0	1 500	17.0	8 840	0.4	4 500	50.9
Public corporations and private enterprises	-	-	0.0	-	0.0	2 150	0.1	2 150	100.0
Non-profit institutions	205	100	48.8	200	97.6	310	0.0	200	64.5
Households	8 562	3 745	43.7	6 485	75.7	6 037	0.3	1 295	21.5
<b>Payments for capital assets</b>	<b>32 008</b>	<b>15 947</b>	<b>49.8</b>	<b>41 906</b>	<b>130.9</b>	<b>461 395</b>	<b>20.6</b>	<b>84 358</b>	<b>18.3</b>
Buildings and other fixed structures	-	-	0.0	48	0.0	421 173	18.8	64 809	15.4
Machinery and equipment	28 459	14 912	52.4	41 839	147.0	35 629	1.6	19 540	54.8
Software and other intangible assets	3 549	1 035	29.2	19	0.5	4 593	0.2	9	0.2
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>2 244</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>
<b>Total</b>	<b>1 741 646</b>	<b>833 837</b>	<b>47.9</b>	<b>1 728 447</b>	<b>99.2</b>	<b>2 242 514</b>	<b>100.0</b>	<b>871 979</b>	<b>38.9</b>

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.2 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R871.979 million, or 38.9 per cent of the adjusted appropriation of R2.243 billion for the year. In comparison, mid-year expenditure in 2013/14 was R833.837 million, or 47.9 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R38.142 million, or 4.6 per cent. This was mainly due to the construction of the new head office accommodation, the conducting of the living conditions survey and the listing of the master sample project.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome		Apr 13 - Mar 14		Budget estimate	Adjusted estimate	Actual receipts		Apr 14 - Sep 14 adjusted estimate
		Apr 13 - Sep 13 % of	Apr 13 - Mar 14 % of	Budget estimate	Adjusted estimate			Adjusted receipts estimate/ Total (%)		
		Apr 13 - Sep 13	adjusted estimate	Apr 13 - Mar 14	adjusted estimate				Apr 14 - Sep 14	adjusted estimate
<b>Departmental receipts</b>	<b>2 445</b>	<b>811</b>	<b>33.2</b>	<b>1 414</b>	<b>57.8</b>	<b>2 581</b>	<b>4 873</b>	<b>100.0</b>	<b>4 035</b>	<b>82.8</b>
Sales of goods and services produced by department	1 080	455	42.1	907	84.0	1 122	1 122	23.0	461	41.1
Sales of scrap, waste, arms and other used current goods	100	55	55.0	56	56.0	34	34	0.7	10	29.4
Interest, dividends and rent on land	70	54	77.1	76	108.6	75	75	1.6	(6)	(8.0)
Transactions in financial assets and liabilities	1 195	247	20.7	375	31.4	1 350	3 642	74.7	3 570	98.0
<b>Total</b>	<b>2 445</b>	<b>811</b>	<b>33.2</b>	<b>1 414</b>	<b>57.8</b>	<b>2 581</b>	<b>4 873</b>	<b>100.0</b>	<b>4 035</b>	<b>82.8</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R4.035 million, or 82.8 per cent of the adjusted revenue estimate of R4.873 million for the year. In comparison, mid-year revenue in 2013/14 was R811 000, or 33.2 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R3.224 million, or 397.5 per cent. This was mainly due to the increase in financial transactions in assets and liabilities. Financial transactions in assets and liabilities were the result of a credit note from the Gauteng Department of Roads and Transport in September 2014 for the reversal of Government Garage vehicle expenditure related to previous financial years.

The department's records currently reflect a negative revenue amount for interest that has been caused by interest reversals on debt cases and the matter is being investigated to determine whether the reversals were appropriate.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Economic Statistics</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	69	-	-	-	69	69
Employee social benefits	-	-	-	69	-	-	-	69	69
<b>Statistical Support and Informatics</b>									
<b>Public corporations and private enterprises</b>									
<b>Private enterprises</b>									
<b>Other transfers</b>									
<b>Current</b>	-	-	-	2 150	-	-	-	2 150	2 150
Motion Boikanyo (Pty) Ltd	-	-	-	2 150	-	-	-	2 150	2 150
<b>Statistical Collection and Outreach</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	9	-	-	-	9	9
Employee social benefits	-	-	-	9	-	-	-	9	9

## Arts and Culture

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>3 524 748</b>	<b>3 524 748</b>	-	-
<b>of which:</b>				
Current payments	690 265	608 997	(81 268)	-
Transfers and subsidies	2 827 085	2 908 353	-	81 268
Payments for capital assets	7 398	7 398	-	-
Executive authority	Minister of Arts and Culture			
Accounting officer	Director-General of Arts and Culture			
Website address	www.dac.gov.za			

### Aim

*Contribute to sustainable economic development and enhance job creation by preserving, protecting and developing South African arts, culture and heritage to sustain a socially cohesive and democratic nation.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of community conversations held per year	Institutional Governance	Outcome 12b: An empowered, fair and inclusive citizenship	45	10	-
Number of artists placed in schools per year	Institutional Governance	Outcome 1: Improved quality of basic education	240	160	-
Number of cultural events supported per year	Arts and Culture Promotion and Development	Outcome 12b: An empowered, fair and inclusive citizenship	22	13	-
Number of jobs created in cultural events per year	Arts and Culture Promotion and Development	Outcome 4: Decent employment through inclusive economic growth	28 200	660	-
Number of language practice bursaries awarded per year	Arts and Culture Promotion and Development	Outcome 5: A skilled and capable workforce to support an inclusive growth path	320	402	-
Number of bursaries in heritage studies awarded per year	Heritage Promotion and Preservation		120	41	-
Number of flagpoles installed at schools per year	Heritage Promotion and Preservation	Outcome 12b: An empowered, fair and inclusive citizenship	15 000	7 517	-
Number of handheld flags distributed per year	Heritage Promotion and Preservation		200 000	138 216	-
Number of community libraries upgraded per year	Heritage Promotion and Preservation		45	0	-
Number of new community libraries built per year	Heritage Promotion and Preservation	Outcome 1: Improved quality of basic education	17	4	-

### Mid-year progress

The annual target for the number of language practice bursaries awarded was exceeded within the first six months of the year. This can be attributed to the University of South Africa covering all provinces through its satellite campuses and thus reaching more students. More students received the bursary due to the low registration fees compared to other tertiary institutions. The slow progress for the target for the heritage studies bursary is due to the low number of applications received.

The annual target for the number of hand held flags distributed had almost been fully met as at the end of September, owing to increased demand arising from the 20 Years of Freedom activities. The slow progress in the number of jobs created in cultural events per year is due to a larger number of festivals taking place in the second half of the year.

The slow progress in the upgrading of community libraries is attributed to some provinces, such as Limpopo, Eastern Cape and Northern Cape, experiencing delays in the appointment of service providers, while the completion of new libraries is planned for the second half of the financial year.

Apart from these indicators, the department is on track to meet its other performance targets.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	228 266	-	-	6 087	-	-	-	6 087	234 353
Institutional Governance	99 808	-	-	232	-	-	-	232	100 040
Arts and Culture	1 032 876	-	-	(1 350)	-	-	-	(1 350)	1 031 526
Promotion and Development									
Heritage Promotion and Preservation	2 163 798	-	-	(4 969)	-	-	-	(4 969)	2 158 829
<b>Total</b>	<b>3 524 748</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 524 748</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>690 265</b>	<b>-</b>	<b>-</b>	<b>(81 268)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(81 268)</b>	<b>608 997</b>
Compensation of employees	209 910	-	-	-	-	-	-	-	209 910
Goods and services	480 355	-	-	(81 268)	-	-	-	(81 268)	399 087
<b>Transfers and subsidies</b>	<b>2 827 085</b>	<b>-</b>	<b>-</b>	<b>81 268</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81 268</b>	<b>2 908 353</b>
Provinces and municipalities	1 016 210	-	-	16 600	-	-	-	16 600	1 032 810
Departmental agencies and accounts	1 643 440	-	-	(37 087)	-	-	-	(37 087)	1 606 353
Higher education institutions	12 470	-	-	(11 490)	-	-	-	(11 490)	980
Foreign governments and international organisations	3 009	-	-	180	-	-	-	180	3 189
Public corporations and private enterprises	2 400	-	-	9 235	-	-	-	9 235	11 635
Non-profit institutions	121 901	-	-	83 472	-	-	-	83 472	205 373
Households	27 655	-	-	20 358	-	-	-	20 358	48 013
<b>Payments for capital assets</b>	<b>7 398</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 398</b>
Machinery and equipment	7 398	-	-	-	-	-	-	-	7 398
<b>Total</b>	<b>3 524 748</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 524 748</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Ministry	4 103	-	-	(499)	-	-	-	(499)	3 604
Management	45 759	-	-	1 342	-	-	-	1 342	47 101
Corporate Services	70 121	-	-	3 875	-	-	-	3 875	73 996
Office of the Chief Financial Officer	21 745	-	-	1 369	-	-	-	1 369	23 114
Office Accommodation	86 538	-	-	-	-	-	-	-	86 538
<b>Total</b>	<b>228 266</b>	<b>-</b>	<b>-</b>	<b>6 087</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 087</b>	<b>234 353</b>
<b>Current payments</b>	<b>220 868</b>	<b>-</b>	<b>-</b>	<b>6 087</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 087</b>	<b>226 955</b>
Compensation of employees	81 583	-	-	6 087	-	-	-	6 087	87 670
Goods and services	139 285	-	-	-	-	-	-	-	139 285
<b>Payments for capital assets</b>	<b>7 398</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 398</b>
Machinery and equipment	7 398	-	-	-	-	-	-	-	7 398
<b>Total</b>	<b>228 266</b>	<b>-</b>	<b>-</b>	<b>6 087</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 087</b>	<b>234 353</b>

**Programme 2: Institutional Governance**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
International Cooperation	41 773	-	-	751	-	-	-	751	42 524
Social Cohesion and Nation Building	47 834	-	-	(1 356)	-	-	-	(1 356)	46 478
Coordination, Monitoring, Evaluation and Good Governance	10 201	-	-	837	-	-	-	837	11 038
<b>Total</b>	<b>99 808</b>	<b>-</b>	<b>-</b>	<b>232</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>232</b>	<b>100 040</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>75 681</b>	<b>-</b>	<b>-</b>	<b>(2 948)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 948)</b>	<b>72 733</b>
Compensation of employees	28 379	-	-	232	-	-	-	232	28 611
Goods and services	47 302	-	-	(3 180)	-	-	-	(3 180)	44 122
<b>Transfers and subsidies</b>	<b>24 127</b>	<b>-</b>	<b>-</b>	<b>3 180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 180</b>	<b>27 307</b>
Foreign governments and international organisations	1 909	-	-	180	-	-	-	180	2 089
Non-profit institutions	21 718	-	-	(4 802)	-	-	-	(4 802)	16 916
Households	500	-	-	7 802	-	-	-	7 802	8 302
<b>Total</b>	<b>99 808</b>	<b>-</b>	<b>-</b>	<b>232</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>232</b>	<b>100 040</b>

**Programme 3: Arts and Culture Promotion and Development**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
National Language Services	49 160	-	-	1 161	-	-	-	1 161	50 321
Pan South African Language Board	83 497	-	-	-	-	-	-	-	83 497
Arts and Cultural Development	335 487	-	-	(2 511)	-	-	-	(2 511)	332 976
Performing Arts Institutions	319 161	-	-	-	-	-	-	-	319 161
National Film and Video Foundation	111 588	-	-	-	-	-	-	-	111 588
National Arts Council	91 865	-	-	-	-	-	-	-	91 865
Capital Works of Performing Arts Institutions	42 118	-	-	-	-	-	-	-	42 118
<b>Total</b>	<b>1 032 876</b>	<b>-</b>	<b>-</b>	<b>(1 350)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 350)</b>	<b>1 031 526</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>267 337</b>	<b>-</b>	<b>-</b>	<b>(107 738)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(107 738)</b>	<b>159 599</b>
Compensation of employees	46 169	-	-	(1 350)	-	-	-	(1 350)	44 819
Goods and services	221 168	-	-	(106 388)	-	-	-	(106 388)	114 780
<b>Transfers and subsidies</b>	<b>765 539</b>	<b>-</b>	<b>-</b>	<b>106 388</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106 388</b>	<b>871 927</b>
Provinces and municipalities	-	-	-	16 600	-	-	-	16 600	16 600
Departmental agencies and accounts	643 717	-	-	8 153	-	-	-	8 153	651 870
Higher education institutions	7 700	-	-	(6 720)	-	-	-	(6 720)	980
Public corporations and private enterprises	2 400	-	-	9 235	-	-	-	9 235	11 635
Non-profit institutions	84 599	-	-	71 334	-	-	-	71 334	155 933
Households	27 123	-	-	7 786	-	-	-	7 786	34 909
<b>Total</b>	<b>1 032 876</b>	<b>-</b>	<b>-</b>	<b>(1 350)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 350)</b>	<b>1 031 526</b>

**Programme 4: Heritage Promotion and Preservation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Heritage Promotion	74 047	-	-	22 895	-	-	-	22 895	96 942
National Archive Services	46 234	-	-	1 136	-	-	-	1 136	47 370
Heritage Institutions	594 702	-	-	(11 159)	-	-	-	(11 159)	583 543
National Library Services	104 755	-	-	-	-	-	-	-	104 755
Public Library Services	1 039 825	-	-	-	-	-	-	-	1 039 825
Capital Works	192 326	-	-	(17 841)	-	-	-	(17 841)	174 485
South African Heritage Resources Agency	47 417	-	-	-	-	-	-	-	47 417
South African Geographical Names Council	8 575	-	-	-	-	-	-	-	8 575
National Heritage Council	55 917	-	-	-	-	-	-	-	55 917
<b>Total</b>	<b>2 163 798</b>	<b>-</b>	<b>-</b>	<b>(4 969)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 969)</b>	<b>2 158 829</b>

**Programme 4: Heritage Promotion and Preservation (continued)**

Economic classification	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand									
<b>Current payments</b>	<b>126 379</b>	-	-	<b>23 331</b>	-	-	-	<b>23 331</b>	<b>149 710</b>
Compensation of employees	53 779	-	-	(4 969)	-	-	-	(4 969)	48 810
Goods and services	72 600	-	-	28 300	-	-	-	28 300	100 900
<b>Transfers and subsidies</b>	<b>2 037 419</b>	-	-	<b>(28 300)</b>	-	-	-	<b>(28 300)</b>	<b>2 009 119</b>
Provinces and municipalities	1 016 210	-	-	-	-	-	-	-	1 016 210
Departmental agencies and accounts	999 723	-	-	(45 240)	-	-	-	(45 240)	954 483
Higher education institutions	4 770	-	-	(4 770)	-	-	-	(4 770)	-
Foreign governments and international organisations	1 100	-	-	-	-	-	-	-	1 100
Non-profit institutions	15 584	-	-	16 940	-	-	-	16 940	32 524
Households	32	-	-	4 770	-	-	-	4 770	4 802
<b>Total</b>	<b>2 163 798</b>	-	-	<b>(4 969)</b>	-	-	-	<b>(4 969)</b>	<b>2 158 829</b>

**Details of adjustments to the Estimates of National Expenditure 2014**

**Virements and shifts**

Programmes					
1. Administration					
2. Institutional Governance					
3. Arts and Culture Promotion and Development					
4. Heritage Promotion and Preservation					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(10 982)</b>	<b>Programme 2</b>		<b>10 982</b>
Goods and services	Reallocation of funds from travel and subsistence <sup>1</sup>	(180)	Foreign governments and international organisations	Higher membership fees due to the depreciation of the Rand <sup>1</sup>	180
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(3 000)	Non-profit institutions	Africa Day and the promotion of visual arts in the SADC region <sup>1</sup>	3 000
Non-profit institutions	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(7 802)	Households	Social cohesion projects <sup>1</sup>	7 802
Shifts within the programme as a percentage of the programme budget		11.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 3</b>		<b>(120 392)</b>	<b>Programme 3</b>		<b>106 388</b>
Goods and services	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(2 660)	Households	Mzansi golden economy: touring ventures and cultural events <sup>1</sup>	2 660
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(930)		Mzansi golden economy: touring ventures and cultural events <sup>1</sup>	930
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(750)		Mzansi golden economy: touring ventures and cultural events <sup>1</sup>	750
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(500)	Departmental agencies and accounts	Mzansi golden economy projects <sup>1</sup>	500
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(8 353)		Mzansi golden economy projects <sup>1</sup>	8 353
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(2 850)	Non-profit institutions	Mzansi golden economy projects <sup>1</sup>	2 850
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(68 484)		Mzansi golden economy projects <sup>1</sup>	68 484
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(4 981)	Public corporations and private enterprises	Mzansi golden economy projects <sup>1</sup>	4 981
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(580)	Higher education institutions	Mzansi golden economy: public art <sup>1</sup>	580
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(16 300)	Provinces and municipalities	Mzansi golden economy: cultural events <sup>1</sup>	16 300



FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Compensation of employees	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(1 350)	<b>Programme 1</b>		<b>1 350</b>
			Compensation of employees	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	1 350
Departmental agencies and accounts	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(400)	<b>Programme 3</b>		<b>12 654</b>
			Higher education institutions	Mzansi golden economy: public art <sup>1</sup>	400
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(300)	Provinces and municipalities	Mzansi golden economy: public art <sup>1</sup>	300
Higher education institutions	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(7 700)	Households	Bursary scheme for the language sector <sup>1</sup>	7 700
Households	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(4 254)	Public corporations and private enterprises	Human language technologies <sup>1</sup>	4 254
Shifts within the programme as a percentage of the programme budget		11.5%			
Virements to other programmes as a percentage of the programme budget		0.1%			
<b>Programme 4</b>		<b>(55 679)</b>	<b>Programme 4</b>		<b>700</b>
Goods and services	Reallocation of funds from consumable supplies	(700)	Non-profit institutions	Indigenous food projects <sup>1</sup>	700
Compensation of employees	Reclassification due to funds incorrectly classified in the 2014 ENE	(232)	<b>Programme 2</b>		<b>232</b>
			Compensation of employees	Reclassification due to funds incorrectly classified in the 2014 ENE	232
	Reclassification due to funds incorrectly classified in the 2014 ENE	(4 737)	<b>Programme 1</b>		<b>4 737</b>
			Compensation of employees	Reclassification due to funds incorrectly classified in the 2014 ENE	4 737
Departmental agencies and accounts	Reallocation of funds from capital works <sup>1</sup>	(29 000)	<b>Programme 4</b>		<b>50 010</b>
			Goods and services	Flags in schools project <sup>1</sup>	29 000
	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(16 240)	Non-profit institutions	Capital works in various heritage organisations <sup>1</sup>	16 240
Higher education institutions	Reclassification due to funds incorrectly classified in the 2014 ENE <sup>1</sup>	(4 770)	Households	Bursary scheme for heritage sector <sup>1</sup>	4 770
Shifts within the programme as a percentage of the programme budget		2.3%			
Virements to other programmes as a percentage of the programme budget		0.2%			
<b>Total</b>		<b>(187 053)</b>			<b>187 053</b>

1. National Treasury approval has been obtained.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
Administration	214 137	127 263	59.4	243 201	113.6	234 353	6.6	131 563	56.1
Institutional Governance	98 802	38 786	39.3	81 281	82.3	100 040	2.8	43 767	43.7
Arts and Culture	898 103	435 100	48.4	894 526	99.6	1 031 526	29.3	393 322	38.1
Promotion and Development									
Heritage Promotion and Preservation	1 703 735	750 658	44.1	1 536 212	90.2	2 158 829	61.2	982 673	45.5
<b>Total</b>	<b>2 914 777</b>	<b>1 351 807</b>	<b>46.4</b>	<b>2 755 220</b>	<b>94.5</b>	<b>3 524 748</b>	<b>100.0</b>	<b>1 551 325</b>	<b>44.0</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>677 933</b>	<b>285 308</b>	<b>42.1</b>	<b>578 454</b>	<b>85.3</b>	<b>608 997</b>	<b>17.3</b>	<b>316 401</b>	<b>52.0</b>
Compensation of employees	196 364	92 187	46.9	190 925	97.2	209 910	6.0	103 690	49.4
Goods and services	481 569	193 121	40.1	387 529	80.5	399 087	11.3	212 667	53.3
Interest and rent on land	-	-	0.0	-	0.0	-	0.0	44	0.0
<b>Transfers and subsidies</b>	<b>2 229 865</b>	<b>1 065 338</b>	<b>47.8</b>	<b>2 163 829</b>	<b>97.0</b>	<b>2 908 353</b>	<b>82.5</b>	<b>1 227 409</b>	<b>42.2</b>
Provinces and municipalities	597 786	305 672	51.1	596 786	99.8	1 032 810	29.3	521 960	50.5
Departmental agencies and accounts	1 535 906	668 558	43.5	1 379 618	89.8	1 606 353	45.6	621 718	38.7

Economic classification	2013/14					2014/15			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
Higher education institutions	4 000	–	0.0	3 000	75.0	980	0.0	–	0.0
Foreign governments and international organisations	1 801	–	0.0	1 000	55.5	3 189	0.1	2 028	63.6
Non-profit institutions	38 531	6 785	17.6	102 252	265.4	205 373	5.8	63 232	30.8
Households	51 841	84 323	162.7	81 173	156.6	48 013	1.4	18 471	38.5
<b>Payments for capital assets</b>	<b>6 979</b>	<b>1 105</b>	<b>15.8</b>	<b>12 866</b>	<b>184.4</b>	<b>7 398</b>	<b>0.2</b>	<b>7 280</b>	<b>98.4</b>
Buildings and other fixed structures	–	–	0.0	5 850	0.0	–	0.0	–	0.0
Machinery and equipment	6 979	1 105	15.8	6 982	100.0	7 398	0.2	4 780	64.6
Software and other intangible assets	–	–	0.0	34	0.0	–	0.0	2 500	0.0
<b>Payments for financial assets</b>	<b>–</b>	<b>56</b>	<b>0.0</b>	<b>71</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>235</b>	<b>0.0</b>
<b>Total</b>	<b>2 914 777</b>	<b>1 351 807</b>	<b>46.4</b>	<b>2 755 220</b>	<b>94.5</b>	<b>3 524 748</b>	<b>100.0</b>	<b>1 551 325</b>	<b>44.0</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 94.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R1.551 billion, or 44 per cent of the adjusted appropriation of R3.525 billion for the year. In comparison, mid-year expenditure in 2013/14 was R1.352 billion, or 46.4 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R199.518 million, or 14.8 per cent. This was mainly due to: the increased spending on Mzansi golden economy projects, computers for new staff, computer software upgrades, and increases to the membership fee of the Commonwealth Foundation due to the depreciation of the Rand. In addition, the amounts transferred to provinces for the community library services grant increased due to an increase in the grant allocation.

### Departmental receipts

Economic classification	2013/14					2014/15				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>1 769</b>	<b>384</b>	<b>21.7</b>	<b>544</b>	<b>30.8</b>	<b>2 550</b>	<b>667</b>	<b>100.0</b>	<b>402</b>	<b>60.3</b>
Sales of goods and services produced by department	269	146	54.3	247	91.8	305	161	24.1	122	75.8
Sales of scrap, waste, arms and other used current goods	1	–	0.0	–	0.0	1	–	0.0	–	0.0
Fines, penalties and forfeits	–	–	0.0	1	0.0	–	–	0.0	–	0.0
Interest, dividends and rent on land	10	7	70.0	17	170.0	14	6	0.9	1	83.3
Transactions in financial assets and liabilities	1 489	231	15.5	279	18.7	2 230	500	75.0	279	54.2
<b>Total</b>	<b>1 769</b>	<b>384</b>	<b>21.7</b>	<b>544</b>	<b>30.8</b>	<b>2 550</b>	<b>667</b>	<b>100.0</b>	<b>402</b>	<b>60.3</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R402 000, or 60.3 per cent of the adjusted revenue estimate of R667 000 for the year. In comparison, mid-year revenue in 2013/14 was R384 000, or 21.7 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R18 000, or 4.7 per cent. This was mainly due to recoveries in respect of travel advances from previous years.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Institutional Governance</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	<b>1 909</b>	-	-	<b>180</b>	-	-	-	<b>180</b>	<b>2 089</b>
International promotion programme	1 909	-	-	180	-	-	-	180	2 089
<b>Non-profit institutions</b>									
<b>Current</b>	<b>21 718</b>	-	-	<b>(4 802)</b>	-	-	-	<b>(4 802)</b>	<b>16 916</b>
Arts social development and youth	21 718	-	-	(7 802)	-	-	-	(7 802)	13 916
Gwala Ngamasiko cultural festival	-	-	-	1 000	-	-	-	1 000	1 000
<b>Institutional Governance</b>									
Kauru visual arts exhibition	-	-	-	2 000	-	-	-	2 000	2 000
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	<b>500</b>	-	-	<b>7 802</b>	-	-	-	<b>7 802</b>	<b>8 302</b>
Arts social development and youth	500	-	-	7 802	-	-	-	7 802	8 302
<b>Arts and Culture</b>									
<b>Promotion and Development</b>									
<b>Provinces and municipalities</b>									
<b>Provinces</b>									
<b>Provincial agencies and funds</b>									
<b>Current</b>	-	-	-	<b>16 600</b>	-	-	-	<b>16 600</b>	<b>16 600</b>
Mzansi golden economy: Cultural events	-	-	-	16 300	-	-	-	16 300	16 300
Mzansi golden economy: Public art	-	-	-	300	-	-	-	300	300
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>2 800</b>	-	-	<b>8 153</b>	-	-	-	<b>8 153</b>	<b>10 953</b>
Mzansi golden economy: Public art	2 800	-	-	(580)	-	-	-	(580)	2 220
Mzansi golden economy: Touring venture	-	-	-	1 333	-	-	-	1 333	1 333
Mzansi golden economy: Artists in schools	-	-	-	3 000	-	-	-	3 000	3 000
Mzansi golden economy: 20 years of freedom	-	-	-	1 400	-	-	-	1 400	1 400
Mzansi golden economy: Art bank	-	-	-	3 000	-	-	-	3 000	3 000
<b>Higher education institutions</b>									
<b>Current</b>	<b>7 700</b>	-	-	<b>(6 720)</b>	-	-	-	<b>(6 720)</b>	<b>980</b>
Language development projects	7 700	-	-	(7 700)	-	-	-	(7 700)	-
Mzansi golden economy: Public art	-	-	-	880	-	-	-	880	880
Mzansi golden economy: Touring venture	-	-	-	100	-	-	-	100	100
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	-	-	-	<b>9 235</b>	-	-	-	<b>9 235</b>	<b>9 235</b>
Mzansi golden economy: Public art	-	-	-	900	-	-	-	900	900
Mzansi golden economy: Cultural events	-	-	-	2 181	-	-	-	2 181	2 181
Mzansi golden economy: Touring venture	-	-	-	1 900	-	-	-	1 900	1 900
Meraka Institute	-	-	-	4 254	-	-	-	4 254	4 254

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

R thousand	2014/15							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Non-profit institutions</b>									
<b>Current</b>	<b>65 000</b>	–	–	<b>71 334</b>	–	–	–	<b>71 334</b>	<b>136 334</b>
Mzansi golden economy: Public art	10 500	–	–	(610)	–	–	–	(610)	9 890
Mzansi golden economy: Cultural events	54 500	–	–	43 994	–	–	–	43 994	98 494
Mzansi golden economy: Touring venture	–	–	–	18 050	–	–	–	18 050	18 050
Mzansi golden economy: Artists in schools	–	–	–	5 300	–	–	–	5 300	5 300
<b>Institutional Governance</b>									
Mzansi golden economy: National Cultural Industries Skills Academy	–	–	–	4 200	–	–	–	4 200	4 200
Mzansi golden economy: 20 years of freedom	–	–	–	400	–	–	–	400	400
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	<b>5 551</b>	–	–	<b>7 786</b>	–	–	–	<b>7 786</b>	<b>13 337</b>
Language development projects	5 551	–	–	3 446	–	–	–	3 446	8 997
Mzansi golden economy: Cultural events	–	–	–	960	–	–	–	960	960
Mzansi golden economy: Touring venture	–	–	–	2 450	–	–	–	2 450	2 450
Mzansi golden economy: Public art	–	–	–	930	–	–	–	930	930
<b>Heritage Promotion and Preservation</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Capital</b>	<b>138 049</b>	–	–	<b>(45 240)</b>	–	–	–	<b>(45 240)</b>	<b>92 809</b>
Heritage legacy projects	126 890	–	–	(34 081)	–	–	–	(34 081)	92 809
Cultural precincts	8 000	–	–	(8 000)	–	–	–	(8 000)	–
Die Erfenisstigting	1 000	–	–	(1 000)	–	–	–	(1 000)	–
Adams College	1 659	–	–	(1 659)	–	–	–	(1 659)	–
Voortrekker Monument	500	–	–	(500)	–	–	–	(500)	–
<b>Higher education institutions</b>									
<b>Current</b>	<b>4 770</b>	–	–	<b>(4 770)</b>	–	–	–	<b>(4 770)</b>	–
Bursaries for non-employees	4 770	–	–	(4 770)	–	–	–	(4 770)	–
<b>Non-profit institutions</b>									
<b>Current</b>	<b>4 000</b>	–	–	<b>700</b>	–	–	–	<b>700</b>	<b>4 700</b>
Heritage projects	4 000	–	–	700	–	–	–	700	4 700
<b>Capital</b>	–	–	–	<b>16 240</b>	–	–	–	<b>16 240</b>	<b>16 240</b>
Liliesleaf Trust	–	–	–	3 000	–	–	–	3 000	3 000
Valoyi Traditional Authority Trust	–	–	–	3 780	–	–	–	3 780	3 780
Ray Alexander Simons Memory Centre	–	–	–	3 109	–	–	–	3 109	3 109
Die Erfenisstigting	–	–	–	4 192	–	–	–	4 192	4 192
Adams College	–	–	–	1 659	–	–	–	1 659	1 659
Voortrekker Monument	–	–	–	500	–	–	–	500	500
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	<b>32</b>	–	–	<b>4 770</b>	–	–	–	<b>4 770</b>	<b>4 802</b>
Bursaries for non-employees	32	–	–	4 770	–	–	–	4 770	4 802

## Basic Education

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>19 680 146</b>	<b>19 689 873</b>	-	9 727
<b>of which:</b>				
Current payments	2 480 223	2 440 297	(39 926)	-
Transfers and subsidies	14 267 387	14 714 128	-	446 741
Payments for capital assets	2 932 536	2 535 448	(397 088)	-
Executive authority	Minister of Basic Education			
Accounting officer	Director-General of Basic Education			
Website address	www.education.gov.za			

### Aim

*Develop, maintain and support a South African school education system for the 21st century.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of new learners enrolled in the Kha Ri Gude mass literacy campaign per year	Curriculum Policy, Support and Monitoring	Outcome 1: Improved quality of basic education	669 600	72 633	-
Number of learners who complete the Kha Ri Gude course per year	Curriculum Policy, Support and Monitoring		535 680	- <sup>1</sup>	-
Number of workbooks distributed to schools per year	Curriculum Policy, Support and Monitoring		53.8 million	19 million	-
Number of public ordinary schools moderated through school based integrated quality management system evaluations per year	Teachers, Education Human Resources and Institutional Development		8 000	5 941	-
Number of Funza Lushaka bursaries awarded per year	Teachers, Education Human Resources and Institutional Development		13 500	14 298	-
Number and percentage of Funza Lushaka bursary holders graduating each year	Teachers, Education Human Resources and Institutional Development		3 262 (90%)	- <sup>1</sup>	-
Total number of learners captured by the learner unit record information tracking system	Planning, Information and Assessment		11.9 million	10.8 million	-
Total number of schools interacting with learner unit record information tracking system	Planning, Information and Assessment		24 365	23 667	-
Number of schools built and completed in the accelerated school infrastructure development initiative project per year	Planning, Information and Assessment		100	28	-
Number of schools evaluated through the national education evaluation development unit per year	Planning, Information and Assessment		230	107	-

2014 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of districts evaluated through the national education evaluation development unit per year	Planning, Information and Assessment	Outcome 1: Improved quality of basic education	26	15	–
Number of learners fed a meal each school day per year	Educational Enrichment Services		8.7 million	9 million	–
Number of Grade 12 learners enrolled and writing the national curriculum statement examination in mathematics who achieve either a diploma pass or a bachelor pass with a mark of 40% or higher in this subject	Educational Enrichment Services		23 416	– <sup>1</sup>	–
Number of Grade 12 learners enrolled and writing the national curriculum statement examination in Physical Science who achieve either a diploma pass or a bachelor pass with a mark of 40% or higher in this subject	Educational Enrichment Services		19 500	– <sup>1</sup>	–

1. This information will only be available in the second half of 2014/15.

### Mid-year progress

As the department is still in the process of registering learners for the 2014 Kha Ri Gude literacy project, the number of new learners enrolled thus far is therefore below the target. The department expects to meet the enrolment target for the year once the registration process has been completed in October 2014.

26.9 million volume 1 workbooks for grades R to 9 were printed within the first six months of the year. To date, 19 million workbooks have been distributed to 17 627 schools. Delivery is still under way and is expected to be completed by December 2014, when the set target will be met.

14 298 Funza Lushaka bursaries were awarded within the first six months of the year, exceeding the target of 13 500 by 798. This over-achievement is because university fees were lower than projected and because bursaries are lower for students repeating modules as funding is not provided for the purchase of textbooks.

The target for the learner unit record information tracking system is the number of public schools and the number of learners in those schools. However, due to the merging and closing of schools, the number of public schools interacting with the system is lower than the target, at 23 667, which is the total amount for the full year.

The construction of 28 schools has been completed through the accelerated school infrastructure delivery initiative. The department expects to meet the target of 100 schools by the end of 2014/15.

The number of learners fed a meal each school day through the national school nutrition programme exceeds the target of 8.7 million. The additional learners are those in quintile 4 and 5 schools that are also being fed in selected provinces. These provinces use their own funds to supplement the grant funding to feed the additional learners.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	347 448	-	-	4 000	-	-	-	4 000	351 448
Curriculum Policy, Support and Monitoring Teachers, Education	1 954 927	-	-	(59 000)	-	-	-	(59 000)	1 895 927
Human Resources and Institutional Development	1 268 247	-	-	13 000	-	-	-	13 000	1 281 247
Planning, Information and Assessment	10 379 369	-	-	41 000	-	-	-	41 000	10 420 369
Educational Enrichment Services	5 730 155	9 727	-	1 000	-	-	-	10 727	5 740 882
<b>Total</b>	<b>19 680 146</b>	<b>9 727</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 727</b>	<b>19 689 873</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 480 223</b>	<b>-</b>	<b>-</b>	<b>(39 926)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39 926)</b>	<b>2 440 297</b>
Compensation of employees	414 738	-	-	(338)	-	-	-	(338)	414 400
Goods and services	2 016 503	-	-	(39 588)	-	-	-	(39 588)	1 976 915
Interest and rent on land	48 982	-	-	-	-	-	-	-	48 982
<b>Transfers and subsidies</b>	<b>14 267 387</b>	<b>9 727</b>	<b>-</b>	<b>437 014</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>446 741</b>	<b>14 714 128</b>
Provinces and municipalities	13 169 549	9 727	-	397 676	-	-	-	407 403	13 576 952
Departmental agencies and accounts	1 055 030	-	-	-	-	-	-	-	1 055 030
Foreign governments and international organisations	12 755	-	-	-	-	-	-	-	12 755
Non-profit institutions	30 053	-	-	39 000	-	-	-	39 000	69 053
Households	-	-	-	338	-	-	-	338	338
<b>Payments for capital assets</b>	<b>2 932 536</b>	<b>-</b>	<b>-</b>	<b>(397 088)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(397 088)</b>	<b>2 535 448</b>
Buildings and other fixed structures	2 924 071	-	-	(397 676)	-	-	-	(397 676)	2 526 395
Machinery and equipment	8 376	-	-	588	-	-	-	588	8 964
Software and other intangible assets	89	-	-	-	-	-	-	-	89
<b>Total</b>	<b>19 680 146</b>	<b>9 727</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 727</b>	<b>19 689 873</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Ministry	24 592	-	-	-	-	-	-	-	24 592
Department Management	65 763	-	-	1 000	-	-	-	1 000	66 763
Corporate Services	49 115	-	-	(500)	-	-	-	(500)	48 615
Office of the Chief Financial Officer	44 075	-	-	2 310	-	-	-	2 310	46 385
Internal Audit	5 090	-	-	1 190	-	-	-	1 190	6 280
Office Accommodation	158 813	-	-	-	-	-	-	-	158 813
<b>Total</b>	<b>347 448</b>	<b>-</b>	<b>-</b>	<b>4 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 000</b>	<b>351 448</b>

**Programme 1: Administration (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>328 855</b>	–	–	<b>3 925</b>	–	–	–	<b>3 925</b>	<b>332 780</b>
Compensation of employees	120 244	–	–	3 884	–	–	–	3 884	124 128
Goods and services	159 629	–	–	41	–	–	–	41	159 670
Interest and rent on land	48 982	–	–	–	–	–	–	–	48 982
<b>Transfers and subsidies</b>	<b>177</b>	–	–	<b>116</b>	–	–	–	<b>116</b>	<b>293</b>
Departmental agencies and accounts	177	–	–	–	–	–	–	–	177
Households	–	–	–	116	–	–	–	116	116
<b>Payments for capital assets</b>	<b>18 416</b>	–	–	<b>(41)</b>	–	–	–	<b>(41)</b>	<b>18 375</b>
Buildings and other fixed structures	12 768	–	–	–	–	–	–	–	12 768
Machinery and equipment	5 559	–	–	(41)	–	–	–	(41)	5 518
Software and other intangible assets	89	–	–	–	–	–	–	–	89
<b>Total</b>	<b>347 448</b>	–	–	<b>4 000</b>	–	–	–	<b>4 000</b>	<b>351 448</b>

**Programme 2: Curriculum Policy, Support and Monitoring**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: Curriculum Policy, Support and Monitoring	2 455	–	–	–	–	–	–	–	2 455
Curriculum Implementation and Monitoring	267 771	–	–	54 005	–	–	–	54 005	321 776
Kha Ri Gude Literacy Project	634 939	–	–	(65 000)	–	–	–	(65 000)	569 939
Curriculum and Quality Enhancement Programmes	1 049 762	–	–	(48 005)	–	–	–	(48 005)	1 001 757
<b>Total</b>	<b>1 954 927</b>	–	–	<b>(59 000)</b>	–	–	–	<b>(59 000)</b>	<b>1 895 927</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 609 588</b>	–	–	<b>(59 034)</b>	–	–	–	<b>(59 034)</b>	<b>1 550 554</b>
Compensation of employees	78 109	–	–	(20)	–	–	–	(20)	78 089
Goods and services	1 531 479	–	–	(59 014)	–	–	–	(59 014)	1 472 465
<b>Transfers and subsidies</b>	<b>344 777</b>	–	–	<b>20</b>	–	–	–	<b>20</b>	<b>344 797</b>
Provinces and municipalities	344 664	–	–	–	–	–	–	–	344 664
Foreign governments and international organisations	113	–	–	–	–	–	–	–	113
Households	–	–	–	20	–	–	–	20	20
<b>Payments for capital assets</b>	<b>562</b>	–	–	<b>14</b>	–	–	–	<b>14</b>	<b>576</b>
Machinery and equipment	562	–	–	14	–	–	–	14	576
<b>Total</b>	<b>1 954 927</b>	–	–	<b>(59 000)</b>	–	–	–	<b>(59 000)</b>	<b>1 895 927</b>

**Programme 3: Teachers, Education Human Resources and Institutional Development**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: Teachers, Education Human Resources and Institutional Development	1 850	–	–	59	–	–	–	59	1 909
Education Human Resources Management	284 850	–	–	(7 059)	–	–	–	(7 059)	277 791
Education Human Resources Development	969 450	–	–	16	–	–	–	16	969 466
Curriculum and Professional Development Unit	12 097	–	–	19 984	–	–	–	19 984	32 081
<b>Total</b>	<b>1 268 247</b>	–	–	<b>13 000</b>	–	–	–	<b>13 000</b>	<b>1 281 247</b>



**Programme 3: Teachers, Education Human Resources and Institutional Development (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>94 555</b>	-	-	<b>12 930</b>	-	-	-	<b>12 930</b>	<b>107 485</b>
Compensation of employees	72 521	-	-	(7 081)	-	-	-	(7 081)	65 440
Goods and services	22 034	-	-	20 011	-	-	-	20 011	42 045
<b>Transfers and subsidies</b>	<b>1 173 141</b>	-	-	<b>81</b>	-	-	-	<b>81</b>	<b>1 173 222</b>
Provinces and municipalities	213 000	-	-	-	-	-	-	-	213 000
Departmental agencies and accounts	947 499	-	-	-	-	-	-	-	947 499
Foreign governments and international organisations	12 642	-	-	-	-	-	-	-	12 642
Households	-	-	-	81	-	-	-	81	81
<b>Payments for capital assets</b>	<b>551</b>	-	-	<b>(11)</b>	-	-	-	<b>(11)</b>	<b>540</b>
Machinery and equipment	551	-	-	(11)	-	-	-	(11)	540
<b>Total</b>	<b>1 268 247</b>	-	-	<b>13 000</b>	-	-	-	<b>13 000</b>	<b>1 281 247</b>

**Programme 4: Planning, Information and Assessment**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: Planning, Information and Assessment	2 481	-	-	500	-	-	-	500	2 981
Financial Planning, Information and Management Systems	39 344	-	-	(2 000)	-	-	-	(2 000)	37 344
School Infrastructure	9 874 843	-	-	-	-	-	-	-	9 874 843
National Assessments and Public Examinations	397 103	-	-	(2 500)	-	-	-	(2 500)	394 603
National Education Evaluation and Development Unit	14 213	-	-	7 000	-	-	-	7 000	21 213
Planning and Delivery Oversight Unit	51 385	-	-	38 000	-	-	-	38 000	89 385
<b>Total</b>	<b>10 379 369</b>	-	-	<b>41 000</b>	-	-	-	<b>41 000</b>	<b>10 420 369</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>400 377</b>	-	-	<b>1 246</b>	-	-	-	<b>1 246</b>	<b>401 623</b>
Compensation of employees	110 683	-	-	1 879	-	-	-	1 879	112 562
Goods and services	289 694	-	-	(633)	-	-	-	(633)	289 061
<b>Transfers and subsidies</b>	<b>7 066 262</b>	-	-	<b>436 797</b>	-	-	-	<b>436 797</b>	<b>7 503 059</b>
Provinces and municipalities	6 928 908	-	-	397 676	-	-	-	397 676	7 326 584
Departmental agencies and accounts	107 354	-	-	-	-	-	-	-	107 354
Non-profit institutions	30 000	-	-	39 000	-	-	-	39 000	69 000
Households	-	-	-	121	-	-	-	121	121
<b>Payments for capital assets</b>	<b>2 912 730</b>	-	-	<b>(397 043)</b>	-	-	-	<b>(397 043)</b>	<b>2 515 687</b>
Buildings and other fixed structures	2 911 303	-	-	(397 676)	-	-	-	(397 676)	2 513 627
Machinery and equipment	1 427	-	-	633	-	-	-	633	2 060
<b>Total</b>	<b>10 379 369</b>	-	-	<b>41 000</b>	-	-	-	<b>41 000</b>	<b>10 420 369</b>

**Programme 5: Educational Enrichment Services**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Programme Management: Educational Enrichment Services	2 675	-	-	-	-	-	-	-	2 675
Partnerships in Education	21 938	-	-	1 000	-	-	-	1 000	22 938
Care and Support in Schools	5 705 542	9 727	-	-	-	-	-	9 727	5 715 269
<b>Total</b>	<b>5 730 155</b>	<b>9 727</b>	<b>-</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 727</b>	<b>5 740 882</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>46 848</b>	<b>-</b>	<b>-</b>	<b>1 007</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 007</b>	<b>47 855</b>
Compensation of employees	33 181	-	-	1 000	-	-	-	1 000	34 181
Goods and services	13 667	-	-	7	-	-	-	7	13 674
<b>Transfers and subsidies</b>	<b>5 683 030</b>	<b>9 727</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 727</b>	<b>5 692 757</b>
Provinces and municipalities	5 682 977	9 727	-	-	-	-	-	9 727	5 692 704
Non-profit institutions	53	-	-	-	-	-	-	-	53
<b>Payments for capital assets</b>	<b>277</b>	<b>-</b>	<b>-</b>	<b>(7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7)</b>	<b>270</b>
Machinery and equipment	277	-	-	(7)	-	-	-	(7)	270
<b>Total</b>	<b>5 730 155</b>	<b>9 727</b>	<b>-</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 727</b>	<b>5 740 882</b>

**Details of adjustments to the Estimates of National Expenditure 2014**

**Roll-overs – R9.727 million**

Programme 5: Educational Enrichment Services

R9.727 million has been rolled over for the HIV and AIDS conditional grant in KwaZulu-Natal for the commitments made on HIV and AIDS learner and teacher support materials, first aid kits and weighing scales for schools.

**Virements and shifts**

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(199)</b>	<b>Programme 1</b>		<b>199</b>
Goods and services	Cost containment measures effected on advertising	(21)	Machinery and equipment	Replacement of obsolete computers	21
Compensation of employees	Vacant posts	(116)	Households	Leave gratuities	116
Machinery and equipment	Cost containment measures effected through extending the period of replacement of computers and hardware	(62)	Goods and services	Administration fee for travel agency fees	62
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			

<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 2</b>		<b>(59 034)</b>	<b>Programme 2</b>		<b>14</b>
Goods and services	Cost containment measures effected mainly on departmental catering	(14)	Machinery and equipment	Replacement of obsolete computers	14
	Reduced spending on the Kha Ri Gude programme due to the revised specification on warehousing requirements <sup>1</sup>	(20 000)	<b>Programme 3</b>		<b>20 000</b>
			Goods and services	Teacher-union collaboration project to assist with the in-service training of teachers <sup>1</sup>	20 000
Compensation of employees	Vacant posts	(20)	<b>Programme 2</b>		<b>20</b>
			Households	Leave gratuities	20
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.0%</b>			
<b>Programme 3</b>		<b>(7 132)</b>	<b>Programme 3</b>		<b>101</b>
Goods and services	Cost containment measures effected on venues and facilities	(20)	Machinery and equipment	Replacement of obsolete computers	20
Compensation of employees	Vacant posts	(81)	Households	Leave gratuities	81
	Reclassification of funds incorrectly classified under the integrated quality management system in the 2014 ENE <sup>1</sup>	(7 000)	<b>Programme 4</b>		<b>7 000</b>
			Compensation of employees	Reclassification of funds under the national education evaluation and development unit	7 000
Machinery and equipment	Cost containment measures effected through extending the period of replacement of computers and hardware	(31)	<b>Programme 3</b>		<b>31</b>
			Goods and services	Consultants to assist the curriculum and professional teacher development unit	31
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.6%</b>			
<b>Programme 4</b>		<b>(404 094)</b>	<b>Programme 4</b>		<b>965</b>
Goods and services	Cost containment measures effected on travel and subsistence, venues and facilities, and contractors	(965)	Machinery and equipment	Replacement of obsolete computers	965
Compensation of employees	Vacant posts	(4 000)	<b>Programme 1</b>		<b>4 000</b>
	Vacant posts	(121)	Compensation of employees	Level 9 and 11 salary level upgrades	4 000
	Vacant posts	(1 000)	<b>Programme 4</b>		<b>121</b>
			Households	Leave gratuities	121
			<b>Programme 5</b>		<b>1 000</b>
			Compensation of employees	Level 9 and 11 salary level upgrades	1 000
Machinery and equipment	Cost containment measures effected through extending the period of replacement of computers and hardware	(332)	<b>Programme 4</b>		<b>398 008</b>
			Goods and services	Travel and subsistence due to increased provincial oversight visits	332
Buildings and other fixed structures	Conversion of the school infrastructure backlogs indirect grant to a direct grant allocated to the Western Cape in the education infrastructure grant <sup>2</sup>	(397 676)	Provinces and municipalities	Conversion of the school infrastructure backlogs indirect grant to a direct grant allocated to the Western Cape in the education infrastructure grant <sup>2</sup>	397 676
Shifts within the programme as a percentage of the programme budget		3.8%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(59)</b>	<b>Programme 5</b>		<b>59</b>
Goods and services	Cost containment measures effected on communications	(26)	Machinery and equipment	Replacement of obsolete computers	26
Machinery and equipment	Cost containment measures effected through extending the period of replacement of computers and hardware	(33)	Goods and services	Leasing of printers	33
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(470 518)</b>			<b>470 518</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

**Expenditure outcome for 2013/14 and actual expenditure for 2014/15**

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
Administration	334 068	168 745	50.5	366 500	109.7	351 448	1.8	189 439	53.9
Curriculum Policy, Support and Monitoring Teachers, Education	1 865 022	218 976	11.7	1 469 592	78.8	1 895 927	9.6	510 564	26.9
Human Resources and Institutional Development	991 681	960 020	96.8	1 010 828	101.9	1 281 247	6.5	1 099 494	85.8
Planning, Information and Assessment	8 994 075	3 999 112	44.5	8 435 610	93.8	10 420 369	52.9	5 414 412	52.0
Educational Enrichment Services	5 434 409	3 201 907	58.9	5 728 564	105.4	5 740 882	29.2	3 554 320	61.9
<b>Total</b>	<b>17 619 255</b>	<b>8 548 760</b>	<b>48.5</b>	<b>17 011 094</b>	<b>96.5</b>	<b>19 689 873</b>	<b>100.0</b>	<b>10 768 229</b>	<b>54.7</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 277 678</b>	<b>788 266</b>	<b>34.6</b>	<b>2 272 096</b>	<b>99.8</b>	<b>2 440 297</b>	<b>12.4</b>	<b>750 895</b>	<b>30.8</b>
Compensation of employees	388 220	179 654	46.3	371 723	95.8	414 400	2.1	204 204	49.3
Goods and services	1 828 782	608 612	33.3	1 850 083	101.2	1 976 915	10.0	546 691	27.7
Interest and rent on land	60 676	–	0.0	50 290	82.9	48 982	0.2	–	0.0
<b>Transfers and subsidies</b>	<b>13 390 400</b>	<b>7 634 435</b>	<b>57.0</b>	<b>13 350 323</b>	<b>99.7</b>	<b>14 714 128</b>	<b>74.7</b>	<b>9 138 738</b>	<b>62.1</b>
Provinces and municipalities	12 370 622	6 690 740	54.1	12 326 288	99.6	13 576 952	69.0	8 112 970	59.8
Departmental agencies and accounts	991 696	942 697	95.1	991 696	100.0	1 055 030	5.4	1 001 175	94.9
Foreign governments and international organisations	12 033	–	0.0	15 062	125.2	12 755	0.1	–	0.0
Non-profit institutions	15 050	–	0.0	15 050	100.0	69 053	0.4	24 000	34.8
Households	999	998	99.9	2 227	222.9	338	0.0	593	175.4
<b>Payments for capital assets</b>	<b>1 951 177</b>	<b>126 059</b>	<b>6.5</b>	<b>1 388 533</b>	<b>71.2</b>	<b>2 535 448</b>	<b>12.9</b>	<b>878 596</b>	<b>34.7</b>
Buildings and other fixed structures	1 943 671	124 096	6.4	1 375 341	70.8	2 526 395	12.8	875 273	34.6
Machinery and equipment	7 451	1 949	26.2	12 995	174.4	8 964	0.0	3 314	37.0
Software and other intangible assets	55	14	25.5	197	358.2	89	0.0	9	10.1
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>142</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>
<b>Total</b>	<b>17 619 255</b>	<b>8 548 760</b>	<b>48.5</b>	<b>17 011 094</b>	<b>96.5</b>	<b>19 689 873</b>	<b>100.0</b>	<b>10 768 229</b>	<b>54.7</b>

**Expenditure trends for the first half of 2014/15**

Total expenditure in 2013/14 was 96.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R10.768 billion, or 54.7 per cent of the adjusted appropriation of R19.690 billion for the year. In comparison, mid-year expenditure in 2013/14 was R8.549 billion, or 48.5 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R2.219 billion, or 26 per cent. This was mainly due to: an increase in the allocations for transfers to the National Student Financial Aid Scheme for Funza Lushaka bursaries; inflationary increases on the national school nutrition programme and the education infrastructure grant; and the increase in expenditure on goods and services due to higher payments on learner teacher support material on workbooks, computer services, operating payments and property payments on the new office building.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>11 340</b>	<b>7 293</b>	<b>64.3</b>	<b>27 227</b>	<b>240.1</b>	<b>8 553</b>	<b>70 000</b>	<b>100.0</b>	<b>47 984</b>	<b>68.5</b>
Sales of goods and services produced by department	5 419	1 225	22.6	2 710	50.0	4 429	5 229	7.5	1 417	27.1
Sales of scrap, waste, arms and other used current goods	-	-	0.0	-	0.0	-	50	0.0	43	86.0
Transfers received	346	346	100.0	346	100.0	-	-	0.0	-	0.0
Interest, dividends and rent on land	5 392	5 470	101.4	20 050	371.8	4 000	13 000	18.6	7 833	60.3
Sales of capital assets	-	-	0.0	1	0.0	-	600	0.9	301	50.2
Transactions in financial assets and liabilities	183	252	137.7	4 120	2 251.4	124	51 121	73.0	38 390	75.1
<b>Total</b>	<b>11 340</b>	<b>7 293</b>	<b>64.3</b>	<b>27 227</b>	<b>240.1</b>	<b>8 553</b>	<b>70 000</b>	<b>100.0</b>	<b>47 984</b>	<b>68.5</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R47.984 million, or 68.5 per cent of the adjusted revenue estimate of R70 million for the year. In comparison, mid-year revenue in 2013/14 was R7.293 million, or 64.3 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R40.691 million, or 558 per cent. This was mainly due to interest received on advances paid to implementing agents appointed for the school infrastructure backlogs grant for the accelerated school infrastructure delivery initiative.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
Households									
<b>Social benefits</b>									
Current	-	-	-	116	-	-	-	116	116
Employee social benefits	-	-	-	116	-	-	-	116	116
<b>Curriculum Policy, Support and Monitoring</b>									
Households									
<b>Social benefits</b>									
Current	-	-	-	20	-	-	-	20	20
Employee social benefits	-	-	-	20	-	-	-	20	20
<b>Teachers, Education Human Resources and Institutional Development</b>									
Households									
<b>Social benefits</b>									
Current	-	-	-	81	-	-	-	81	81
Employee social benefits	-	-	-	81	-	-	-	81	81
<b>Planning, Information and Assessment</b>									
<b>Provinces and municipalities</b>									
<b>Provinces</b>									
<b>Provincial Revenue Funds</b>									
Capital	6 928 908	-	-	397 676	-	-	-	397 676	7 326 584
Education infrastructure grant	6 928 908	-	-	397 676	-	-	-	397 676	7 326 584

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Non-profit institutions</b>									
<b>Current</b>	<b>30 000</b>	-	-	<b>39 000</b>	-	-	-	<b>39 000</b>	<b>69 000</b>
National initiative to improve learning outcomes	30 000	-	-	39 000	-	-	-	39 000	69 000
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>121</b>	-	-	-	<b>121</b>	<b>121</b>
Employee social benefits	-	-	-	121	-	-	-	121	121
<b>Educational Enrichment Services</b>									
<b>Provinces and municipalities</b>									
<b>Provinces</b>									
<b>Provincial Revenue Funds</b>									
<b>Current</b>	<b>221 062</b>	<b>9 727</b>	-	-	-	-	-	<b>9 727</b>	<b>230 789</b>
HIV and AIDS (life skills education) grant	221 062	9 727	-	-	-	-	-	9 727	230 789

## Summary of changes to conditional grants: Provinces

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Planning, Information and Assessment</b>	<b>6 928 908</b>	-	-	<b>397 676</b>	-	-	-	<b>397 676</b>	<b>7 326 584</b>
Education infrastructure grant	6 928 908	-	-	397 676	-	-	-	397 676	7 326 584
<b>Educational Enrichment Services</b>	<b>5 682 977</b>	<b>9 727</b>	-	-	-	-	-	<b>9 727</b>	<b>5 692 704</b>
HIV and AIDS (life skills education) grant	221 062	9 727	-	-	-	-	-	9 727	230 789

## Health

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>33 955 475</b>	<b>33 900 570</b>	(54 905)	–
<b>of which:</b>				
Current payments	2 014 077	2 213 299	–	199 222
Transfers and subsidies	30 916 363	31 198 309	–	281 946
Payments for capital assets	1 025 035	488 962	(536 073)	–
Executive authority	Minister of Health			
Accounting officer	Director-General of Health			
Website address	www.health.gov.za			

### Aim

*Provide leadership and coordination of health services to promote the health of all people in South Africa through an accessible, caring and high quality health system based on the primary health care approach.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first four months of 2014/15 (April to July) <sup>1</sup>	Changed target for 2014/15
Total number of private providers contracted to work in public health facilities	National Health Insurance, Health Planning and Systems Enablement	Outcome 2: A long and healthy life for all South Africans	900	141	–
Tuberculosis (new pulmonary) cure rate	HIV and AIDS, Tuberculosis, Maternal and Child Health		85%	75.4%	–
Tuberculosis (new pulmonary) treatment defaulter rate	HIV and AIDS, Tuberculosis, Maternal and Child Health		5%	5.8%	–
Number of new patients put on antiretroviral treatment per year	HIV and AIDS, Tuberculosis, Maternal and Child Health		500 000	206 392	–
Antenatal first visit before 20 weeks rate	HIV and AIDS, Tuberculosis, Maternal and Child Health		65%	50.9%	–
Immunisation coverage for children under the age of one year annualised	HIV and AIDS, Tuberculosis, Maternal and Child Health		90%	86.4%	–
Measles (second dose) immunisation coverage annualised	HIV and AIDS, Tuberculosis, Maternal and Child Health		90%	75.7%	–
Proportion of infant first polymerase chain reaction test positive within 2 months after birth out of all babies tested	HIV and AIDS, Tuberculosis, Maternal and Child Health		2%	1.6%	–
Cervical cancer screening coverage annualised	HIV and AIDS, Tuberculosis, Maternal and Child Health		58%	52.4%	–
Primary health care utilisation rate (Average number of primary health care visits per person per year)	Primary Health Care Services		2.9	2.4	–

<sup>1</sup> Only data for the first four months of 2014/15 are currently available. This is due to the data flow policy that provides for a 45-day period after the end of each month for data transmitted from all health facilities to reach the National Department of Health following verification by sub-districts, districts and provinces.

Mid-year progress

The expansion of the antiretroviral programme resulted in 206 392 new patients being enrolled for treatment in the first four months of 2014/15. The targeted number of 500 000 new patients will be exceeded if this trend continues for the rest of the financial year.

Only 50.9 per cent of mothers accessed antenatal care before 20 weeks into their pregnancy. The department aims to address this problem by rolling out the cell phone based application MomConnect, which will send messages to pregnant women providing them with advice on the actions to be taken at the different stages of their pregnancy and also encouraging them to start antenatal care at an early stage.

The prevention of mother to child transmission of HIV continues to improve. The target of 2 per cent was already exceeded in the first four months of 2014/15. Only 1.6 per cent of babies born from HIV positive mothers tested within two months were HIV positive.

Census 2011 revealed that South Africa's population under the age of one had been underestimated. The significant increase in the denominator is reflected in the sudden decrease in immunisation coverage for children under the age of one, and measles (second dose) immunisation coverage during the current financial year; hence the decrease in the expected outcome from the targeted 90 per cent to 82 per cent. In the first four months of 2014/15, a 75.7 per cent measles (second dose) immunisation coverage rate has been achieved.

The primary health care service delivery platform is currently being strengthened. The sector is expanding school health services and ward based outreach services, which will result in fewer people requiring visits to fixed primary health care facilities for preventative and health promotion care. This is reflected in the stable primary health care utilisation rate of 2.4 visits, per person per year, from 2013/14 and the first four months of 2014/15.

In April 2014, there were 108 contracted general practitioners in the 10 national health insurance pilot districts, and by 31 July 2014 there were 141. The department focused on general practitioners as the initial group of private providers to contract before expanding the programme to other categories of private providers. The department has outsourced the recruitment, contracting and performance management of general practitioners in the national health insurance pilot districts to improve the capacity required for implementing the programme.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	399 721	-	-	-	-	-	-	399 721	
National Health Insurance, Health Planning and Systems Enablement	621 252	-	-	6 904	-	-	-	628 156	
HIV and AIDS, Tuberculosis, Maternal and Child Health	13 049 923	-	-	-	-	-	-	13 049 923	
Primary Health Care Services	93 515	-	18 157	(327)	-	-	17 830	111 345	
Hospitals, Tertiary Health Services and Human Resource Development	18 925 780	-	-	(2 173)	-	(113 000)	(115 173)	18 810 607	
Health Regulation and Compliance Management	865 284	-	14 438	(4 404)	-	-	25 500	900 818	
<b>Total</b>	<b>33 955 475</b>	<b>-</b>	<b>32 595</b>	<b>-</b>	<b>-</b>	<b>(113 000)</b>	<b>25 500</b>	<b>(54 905)</b>	<b>33 900 570</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 014 077</b>	<b>-</b>	<b>15 499</b>	<b>167 993</b>	<b>-</b>	<b>-</b>	<b>15 730</b>	<b>199 222</b>	<b>2 213 299</b>
Compensation of employees	597 203	-	-	-	-	-	7 430	7 430	604 633
Goods and services	1 416 874	-	15 499	167 993	-	-	8 300	191 792	1 608 666
<b>Transfers and subsidies</b>	<b>30 916 363</b>	<b>-</b>	<b>17 096</b>	<b>264 850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>281 946</b>	<b>31 198 309</b>
Provinces and municipalities	30 111 326	-	-	262 000	-	-	-	262 000	30 373 326
Departmental agencies and accounts	595 974	-	14 438	2 500	-	-	-	16 938	612 912
Higher education institutions	3 000	-	-	-	-	-	-	-	3 000
Foreign governments and international organisations	-	-	2 658	-	-	-	-	2 658	2 658
Non-profit institutions	206 063	-	-	350	-	-	-	350	206 413



R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Payments for capital assets</b>	<b>1 025 035</b>	-	-	(432 843)	-	(113 000)	9 770	(536 073)	<b>488 962</b>
Buildings and other fixed structures	979 862	-	-	(488 459)	-	(113 000)	-	(601 459)	378 403
Machinery and equipment	45 173	-	-	55 616	-	-	-	55 616	100 789
Software and other intangible assets	-	-	-	-	-	-	9 770	9 770	9 770
<b>Total</b>	<b>33 955 475</b>	-	32 595	-	-	(113 000)	25 500	(54 905)	<b>33 900 570</b>

**Programme 1: Administration**

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Ministry</b>	<b>31 046</b>	-	-	-	-	-	-	-	<b>31 046</b>
Management	26 458	-	-	-	-	-	-	-	26 458
Corporate Services	184 647	-	-	-	-	-	-	-	184 647
Office Accommodation	105 825	-	-	-	-	-	-	-	105 825
Financial Management	51 745	-	-	-	-	-	-	-	51 745
<b>Total</b>	<b>399 721</b>	-	-	-	-	-	-	-	<b>399 721</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>392 430</b>	-	-	(116)	-	-	-	(116)	<b>392 314</b>
Compensation of employees	161 600	-	-	-	-	-	-	-	161 600
Goods and services	230 830	-	-	(116)	-	-	-	(116)	230 714
<b>Transfers and subsidies</b>	<b>1 397</b>	-	-	-	-	-	-	-	<b>1 397</b>
Departmental agencies and accounts	1 397	-	-	-	-	-	-	-	1 397
<b>Payments for capital assets</b>	<b>5 894</b>	-	-	116	-	-	-	116	<b>6 010</b>
Machinery and equipment	5 894	-	-	116	-	-	-	116	6 010
<b>Total</b>	<b>399 721</b>	-	-	-	-	-	-	-	<b>399 721</b>

**Programme 2: National Health Insurance, Health Planning and Systems Enablement**

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Programme Management</b>	<b>2 989</b>	-	-	(1 342)	-	-	-	(1 342)	<b>1 647</b>
Technical Policy and Planning	2 084	-	-	1 342	-	-	-	1 342	3 426
Health Information	53 725	-	-	6 904	-	-	-	6 904	60 629
Management, Monitoring and Evaluation									
Sector-wide Procurement	22 987	-	-	-	-	-	-	-	22 987
Health Financing and National Health Insurance	487 210	-	-	-	-	-	-	-	487 210
International Health and Development	52 257	-	-	-	-	-	-	-	52 257
<b>Total</b>	<b>621 252</b>	-	-	6 904	-	-	-	6 904	<b>628 156</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>543 830</b>	-	-	6 904	-	-	-	6 904	<b>550 734</b>
Compensation of employees	67 193	-	-	-	-	-	-	-	67 193
Goods and services	476 637	-	-	6 904	-	-	-	6 904	483 541
<b>Transfers and subsidies</b>	<b>75 000</b>	-	-	-	-	-	-	-	<b>75 000</b>
Provinces and municipalities	70 000	-	-	-	-	-	-	-	70 000
Non-profit institutions	5 000	-	-	-	-	-	-	-	5 000
<b>Payments for capital assets</b>	<b>2 422</b>	-	-	-	-	-	-	-	<b>2 422</b>
Machinery and equipment	2 422	-	-	-	-	-	-	-	2 422
<b>Total</b>	<b>621 252</b>	-	-	6 904	-	-	-	6 904	<b>628 156</b>

**Programme 3: HIV and AIDS, Tuberculosis, Maternal and Child Health**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management	3 609	-	-	-	-	-	-	-	3 609
HIV and AIDS	12 784 418	-	-	-	-	-	-	-	12 784 418
Tuberculosis	26 442	-	-	-	-	-	-	-	26 442
Women's Maternal and Reproductive Health	17 058	-	-	-	-	-	-	-	17 058
Child, Youth and School Health	218 396	-	-	-	-	-	-	-	218 396
<b>Total</b>	<b>13 049 923</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 049 923</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>533 116</b>	<b>-</b>	<b>-</b>	<b>(10 500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 500)</b>	<b>522 616</b>
Compensation of employees	64 404	-	-	-	-	-	-	-	64 404
Goods and services	468 712	-	-	(10 500)	-	-	-	(10 500)	458 212
<b>Transfers and subsidies</b>	<b>12 515 080</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 515 080</b>
Provinces and municipalities	12 311 322	-	-	-	-	-	-	-	12 311 322
Departmental agencies and accounts	15 000	-	-	-	-	-	-	-	15 000
Higher education institutions	3 000	-	-	-	-	-	-	-	3 000
Non-profit institutions	185 758	-	-	-	-	-	-	-	185 758
<b>Payments for capital assets</b>	<b>1 727</b>	<b>-</b>	<b>-</b>	<b>10 500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 500</b>	<b>12 227</b>
Machinery and equipment	1 727	-	-	10 500	-	-	-	10 500	12 227
<b>Total</b>	<b>13 049 923</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 049 923</b>

**Programme 4: Primary Health Care Services**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management	3 007	-	-	-	-	-	-	-	3 007
District Services and Environmental Health	25 762	-	-	(2 088)	-	-	-	(2 088)	23 674
Communicable Diseases	13 553	-	18 157	(412)	-	-	-	17 745	31 298
Non-Communicable Diseases	25 718	-	-	-	-	-	-	-	25 718
Health Promotion and Nutrition	21 768	-	-	-	-	-	-	-	21 768
Violence, Trauma and Emergency Medical Services	3 707	-	-	2 173	-	-	-	2 173	5 880
<b>Total</b>	<b>93 515</b>	<b>-</b>	<b>18 157</b>	<b>(327)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 830</b>	<b>111 345</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>87 603</b>	<b>-</b>	<b>15 499</b>	<b>(677)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 822</b>	<b>102 425</b>
Compensation of employees	50 567	-	-	2 173	-	-	-	2 173	52 740
Goods and services	37 036	-	15 499	(2 850)	-	-	-	12 649	49 685
<b>Transfers and subsidies</b>	<b>4 438</b>	<b>-</b>	<b>2 658</b>	<b>350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 008</b>	<b>7 446</b>
Foreign governments and international organisations	-	-	2 658	-	-	-	-	2 658	2 658
Non-profit institutions	4 438	-	-	350	-	-	-	350	4 788
<b>Payments for capital assets</b>	<b>1 474</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 474</b>
Machinery and equipment	1 474	-	-	-	-	-	-	-	1 474
<b>Total</b>	<b>93 515</b>	<b>-</b>	<b>18 157</b>	<b>(327)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 830</b>	<b>111 345</b>

**Programme 5: Hospitals, Tertiary Health Services and Human Resource Development**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management	3 570	-	-	-	-	-	-	-	3 570
Health Facilities	6 275 300	-	-	-	-	(113 000)	-	(113 000)	6 162 300
Infrastructure Management									
Tertiary Health Care	10 171 405	-	-	-	-	-	-	-	10 171 405
Planning and Policy									
Hospital Management	5 426	-	-	-	-	-	-	-	5 426
Human Resources for Health	2 344 652	-	-	(2 173)	-	-	-	(2 173)	2 342 479
Nursing Services	2 531	-	-	-	-	-	-	-	2 531
Forensic Chemistry Laboratories	122 896	-	-	-	-	-	-	-	122 896
<b>Total</b>	<b>18 925 780</b>	<b>-</b>	<b>-</b>	<b>(2 173)</b>	<b>-</b>	<b>(113 000)</b>	<b>-</b>	<b>(115 173)</b>	<b>18 810 607</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>185 946</b>	<b>-</b>	<b>-</b>	<b>179 286</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>179 286</b>	<b>365 232</b>
Compensation of employees	104 722	-	-	(2 173)	-	-	-	(2 173)	102 549
Goods and services	81 224	-	-	181 459	-	-	-	181 459	262 683
<b>Transfers and subsidies</b>	<b>17 730 004</b>	<b>-</b>	<b>-</b>	<b>262 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>262 000</b>	<b>17 992 004</b>
Provinces and municipalities	17 730 004	-	-	262 000	-	-	-	262 000	17 992 004
<b>Payments for capital assets</b>	<b>1 009 830</b>	<b>-</b>	<b>-</b>	<b>(443 459)</b>	<b>-</b>	<b>(113 000)</b>	<b>-</b>	<b>(556 459)</b>	<b>453 371</b>
Buildings and other fixed structures	979 862	-	-	(488 459)	-	(113 000)	-	(601 459)	378 403
Machinery and equipment	29 968	-	-	45 000	-	-	-	45 000	74 968
<b>Total</b>	<b>18 925 780</b>	<b>-</b>	<b>-</b>	<b>(2 173)</b>	<b>-</b>	<b>(113 000)</b>	<b>-</b>	<b>(115 173)</b>	<b>18 810 607</b>

**Programme 6: Health Regulation and Compliance Management**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management	4 127	-	-	-	-	-	-	-	4 127
Food Control	7 512	-	-	-	-	-	-	-	7 512
Pharmaceutical Trade and Product Regulation	96 248	-	-	-	-	-	25 500	25 500	121 748
Public Entities Management	592 532	-	14 438	2 500	-	-	-	16 938	609 470
Office of Standards	108 953	-	-	(6 904)	-	-	-	(6 904)	102 049
Compliance									
Compensation Commissioner for Occupational Diseases and Occupational Health	55 912	-	-	-	-	-	-	-	55 912
<b>Total</b>	<b>865 284</b>	<b>-</b>	<b>14 438</b>	<b>(4 404)</b>	<b>-</b>	<b>-</b>	<b>25 500</b>	<b>35 534</b>	<b>900 818</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>271 152</b>	<b>-</b>	<b>-</b>	<b>(6 904)</b>	<b>-</b>	<b>-</b>	<b>15 730</b>	<b>8 826</b>	<b>279 978</b>
Compensation of employees	148 717	-	-	-	-	-	7 430	7 430	156 147
Goods and services	122 435	-	-	(6 904)	-	-	8 300	1 396	123 831
<b>Transfers and subsidies</b>	<b>590 444</b>	<b>-</b>	<b>14 438</b>	<b>2 500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 938</b>	<b>607 382</b>
Departmental agencies and accounts	579 577	-	14 438	2 500	-	-	-	16 938	596 515
Non-profit institutions	10 867	-	-	-	-	-	-	-	10 867
<b>Payments for capital assets</b>	<b>3 688</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 770</b>	<b>9 770</b>	<b>13 458</b>
Machinery and equipment	3 688	-	-	-	-	-	-	-	3 688
Software and other intangible assets	-	-	-	-	-	-	9 770	9 770	9 770
<b>Total</b>	<b>865 284</b>	<b>-</b>	<b>14 438</b>	<b>(4 404)</b>	<b>-</b>	<b>-</b>	<b>25 500</b>	<b>35 534</b>	<b>900 818</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Unforeseeable and unavoidable expenditure – R32.595 million**

Programme 4: Primary Health Care Services

R18.157 million has been allocated for surveillance, infection prevention, case management, advocacy and

resource mobilisation as part of the department's response to the Ebola virus disease outbreak.

### Programme 6: Health Regulation and Compliance Management

R14.438 million has been transferred to the National Institute for Communicable Diseases for laboratory investigations, including additional human resource requirements for the Ebola virus disease outbreak.

### Virements and shifts

<b>Programmes</b>					
1. Administration					
2. National Health Insurance, Health Planning and Systems Enablement					
3. HIV and AIDS, Tuberculosis, Maternal and Child Health					
4. Primary Health Care Services					
5. Hospitals, Tertiary Health Services and Human Resource Development					
6. Health Regulation and Compliance Management					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(116)</b>	<b>Programme 1</b>		<b>116</b>
Goods and services	Cost containment measures effected on contractors and computer services budget items	(116)	Machinery and equipment	Furniture for newly established internal audit and risk management chief directorate	116
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(10 500)</b>	<b>Programme 3</b>		<b>10 500</b>
Goods and services	Reclassification of funds previously allocated for the human papilloma virus (HPV) component of the national health grant under the medical supplies budget item to allow for the purchase of freezers for the storage of vaccines	(10 500)	Machinery and equipment	Freezers for HPV vaccines	10 500
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(2 850)</b>	<b>Programme 4</b>		<b>350</b>
Goods and services	Cost containment measures effected on venues and facilities	(350)	Non-profit institutions	Transfer to the National Kidney Foundation to build the capacity of the dialysis and transplant registry	350
	Reallocation of funds from various items in goods and services items to Programme 6 to increase the transfer payment to the National Institute of Communicable Diseases to coordinate the transportation of mobile laboratory to Sierra Leone <sup>1</sup>	(2 500)	<b>Programme 6</b>		<b>2 500</b>
			Departmental agencies and accounts	Transfer payment to the National Institute of Communicable Diseases to coordinate the transportation of a mobile laboratory to Sierra Leone to combat the Ebola virus disease outbreak in Sierra Leone <sup>1</sup>	2 500
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.7%</b>			
<b>Programme 5</b>		<b>(490 632)</b>	<b>Programme 4</b>		<b>2 173</b>
Compensation of employees	Reclassification due to funds incorrectly classified in the 2014 ENE	(2 173)	Compensation of employees	Reclassification due to funds incorrectly classified in the 2014 ENE	2 173
Buildings and other fixed structures	Reclassification of funds previously allocated to the health facility revitalisation component of the national health grant under payments for capital assets <sup>1</sup>	(181 459)	<b>Programme 5</b>		<b>488 459</b>
	Reclassification of funds previously allocated to the health facility revitalisation component of the national health grant <sup>1</sup>	(45 000)	Goods and services	The health facility revitalisation component of the national health grant, to be used for consultants, maintenance and other goods and services <sup>1</sup>	181 459
	Funds shifted from the national health grant: health facility revitalisation component in the national sphere of government for transfer to provinces <sup>1</sup>	(262 000)	Machinery and equipment	Capital furniture and equipment for hospitals and clinics <sup>1</sup>	45 000
			Provinces and municipalities	Direct grant to provinces for hospital and clinic upgrades <sup>1</sup>	262 000
Shifts within the programme as a percentage of the programme budget		2.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 6</b>		<b>(6 904)</b>	<b>Programme 2</b>		<b>6 904</b>
Goods and services	Reclassification due to funds incorrectly classified in the 2014 ENE	(6 904)	Goods and services	Reclassification due to funds incorrectly classified in the 2014 ENE	6 904
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.8%</b>			
<b>Total</b>		<b>(511 002)</b>	<b>511 002</b>		

1. National Treasury approval has been obtained.

## Declared unspent funds – R113 million

Programme 5: Hospitals, Tertiary Health Services and Human Resource Development

R113 million in unspent funds has been declared on the health facility revitalisation component of the indirect national health grant, due to underspending in 2014/15.

## Other adjustments – R25.5 million

### Self-financing expenditure

Programme 6: Health Regulation and Compliance Management

R25.5 million in revenue collected by the Medicines Control Council will be used to strengthen IT systems and appoint contract staff members in preparation for the establishment of the new South African Health Products Regulatory Agency in 2015/16.

## Gifts, donations and sponsorships – R100 000

Programme 4: Primary Health Care Services

R100 000 has been allocated to support the 21st World Congress of the International Association for Child and Adolescent Psychiatry and Allied Professions.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	adjusted appropriation % of	Apr 13 - Mar 14	adjusted appropriation % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted appropriation % of	
R thousand										
Administration	405 727	167 582	41.3	363 960	89.7	399 721	1.2	206 531	51.7	
National Health Insurance, Health Planning and Systems Enablement	491 826	76 332	15.5	197 905	40.2	628 156	1.9	113 042	18.0	
HIV and AIDS, Tuberculosis, Maternal and Child Health	11 041 974	5 440 933	49.3	10 958 798	99.2	13 049 923	38.5	6 345 480	48.6	
Primary Health Care Services	102 616	31 397	30.6	88 199	86.0	111 345	0.3	44 999	40.4	
Hospitals, Tertiary Health Services and Human Resource Development	17 722 386	8 797 202	49.6	17 483 962	98.7	18 810 607	55.5	9 100 851	48.4	
Health Regulation and Compliance Management	763 652	353 563	46.3	732 273	95.9	900 818	2.7	401 332	44.6	
<b>Total</b>	<b>30 528 181</b>	<b>14 867 009</b>	<b>48.7</b>	<b>29 825 097</b>	<b>97.7</b>	<b>33 900 570</b>	<b>100.0</b>	<b>16 212 235</b>	<b>47.8</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>1 628 026</b>	<b>488 708</b>	<b>30.0</b>	<b>1 188 687</b>	<b>73.0</b>	<b>2 213 299</b>	<b>6.5</b>	<b>730 179</b>	<b>33.0</b>	
Compensation of employees	538 400	261 971	48.7	555 318	103.1	604 633	1.8	304 543	50.4	
Goods and services	1 089 626	226 737	20.8	633 369	58.1	1 608 666	4.7	425 636	26.5	

	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
R thousand										
<b>Transfers and subsidies</b>	<b>28 433 804</b>	<b>14 306 174</b>	<b>50.3</b>	<b>28 461 386</b>	<b>100.1</b>	<b>31 198 309</b>	<b>92.0</b>	<b>15 368 651</b>	<b>49.3</b>	
Provinces and municipalities	27 686 378	13 910 544	50.2	27 686 378	100.0	30 373 326	89.6	14 987 987	49.3	
Departmental agencies and accounts	540 660	273 926	50.7	559 843	103.5	612 912	1.8	291 129	47.5	
Higher education institutions	7 000	4 000	57.1	4 000	57.1	3 000	0.0	-	0.0	
Non-profit institutions	199 766	117 224	58.7	209 654	104.9	206 413	0.6	88 126	42.7	
Households	-	480	0.0	1 511	0.0	-	0.0	1 409	0.0	
<b>Payments for capital assets</b>	<b>466 351</b>	<b>72 123</b>	<b>15.5</b>	<b>173 313</b>	<b>37.2</b>	<b>488 962</b>	<b>1.4</b>	<b>113 188</b>	<b>23.1</b>	
Buildings and other fixed structures	440 025	66 420	15.1	113 726	25.8	378 403	1.1	108 280	28.6	
Machinery and equipment	26 326	5 703	21.7	59 587	226.3	100 789	0.3	4 656	4.6	
Software and other intangible assets	-	0.0	0.0	0.0	0.0	9 770	0.0	252	2.6	
<b>Payments for financial assets</b>	<b>-</b>	<b>4</b>	<b>0.0</b>	<b>1 711</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>217</b>	<b>0.0</b>	
<b>Total</b>	<b>30 528 181</b>	<b>14 867 009</b>	<b>48.7</b>	<b>29 825 097</b>	<b>97.7</b>	<b>33 900 570</b>	<b>100.0</b>	<b>16 212 235</b>	<b>47.8</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 97.7 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R16.212 billion, or 47.8 per cent of the adjusted appropriation of R33.901 billion for the year. In comparison, mid-year expenditure in 2013/14 was R14.867 billion, or 48.7 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R1.345 billion, or 9 per cent. This was mainly due to payments made for software licences, servers, data lines, condoms, property payments, leasing of buildings in the previous and current financial year, and the equipping of the new Durban Forensic Chemistry Laboratory with medical and other supplies for it to become operational in February 2015.

### Departmental receipts

	2013/14 Audited outcome					2014/15 Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>23 476</b>	<b>3 257</b>	<b>13.9</b>	<b>71 606</b>	<b>305.0</b>	<b>32 760</b>	<b>69 819</b>	<b>100.0</b>	<b>39 419</b>	<b>56.5</b>
Sales of goods and services produced by department	22 224	2 125	9.6	67 091	301.9	31 512	63 420	90.8	34 033	53.7
Sales of scrap, waste, arms and other used current goods	38	14	36.8	45	118.4	36	23	0.0	2	8.7
Interest, dividends and rent on land	300	74	24.7	1 858	619.3	300	457	0.7	231	50.5
Transactions in financial assets and liabilities	914	1 044	114.2	2 612	285.8	912	5 919	8.5	5 153	87.1
<b>Total</b>	<b>23 476</b>	<b>3 257</b>	<b>13.9</b>	<b>71 606</b>	<b>305.0</b>	<b>32 760</b>	<b>69 819</b>	<b>100.0</b>	<b>39 419</b>	<b>56.5</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R39.419 million, or 56.5 per cent of the adjusted revenue estimate of R69.819 million for the year. In comparison, mid-year revenue in 2013/14 was R3.257 million, or 13.9 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R36.162 million, or 1 110.3 per cent. This was mainly due to a change in the Medicine Control Council's banking details which delayed the surrendering of the Council's

receipts. Another factor was the pre-payment for advertisements (such as for HIV and AIDS media advertisements), which was erroneously entered twice. During the consolidation of annual financial statements, the Government Communication and Information System detected the error and credited the department with the overpayment. This expenditure was from 2013/14 and was rectified in 2014/15.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Primary Health Care Services</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	-	-	2 658	-	-	-	-	2 658	2 658
World Health Organisation	-	-	2 658	-	-	-	-	2 658	2 658
<b>Non-profit institutions</b>									
<b>Current</b>	182	-	-	350	-	-	-	350	532
Downs Syndrome South Africa	182	-	-	(182)	-	-	-	(182)	-
National Kidney Foundation of South Africa	-	-	-	350	-	-	-	350	350
World congress on pediatric cardiology	-	-	-	100	-	-	-	100	100
Mental health non-governmental organisations	-	-	-	82	-	-	-	82	82
<b>Hospitals, Tertiary Health Services and Human Resource Development Provinces and municipalities</b>									
<b>Provinces</b>									
<b>Provincial Revenue Funds</b>									
<b>Capital</b>	5 239 981	-	-	262 000	-	-	-	262 000	5 501 981
Health facility revitalisation grant	5 239 981	-	-	262 000	-	-	-	262 000	5 501 981
<b>Health Regulation and Compliance Management</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	125 280	-	14 438	2 500	-	-	-	16 938	142 218
National Health Laboratory Services	125 280	-	14 438	2 500	-	-	-	16 938	142 218

### Summary of changes to conditional grants: Provinces

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Hospitals, Tertiary Health Services and Human Resource Development</b>									
<b>Health facility revitalisation grant</b>	5 239 981	-	-	262 000	-	-	-	262 000	5 501 981





# Vote 17

## Higher Education and Training

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>36 866 681</b>	<b>36 866 681</b>	–	–
<b>of which:</b>				
Current payments	610 534	620 602	–	10 068
Transfers and subsidies	36 252 470	36 242 495	(9 975)	–
Payments for capital assets	3 677	3 584	(93)	–
<b>Direct charge against the National Revenue Fund</b>	<b>13 440 000</b>	<b>13 200 000</b>	<b>(240 000)</b>	–
Executive authority	Minister of Higher Education and Training			
Accounting officer	Director-General of Higher Education and Training			
Website address	www.dhet.gov.za			

### Aim

*Develop and support a quality higher and vocational education sector. Promote access to higher and vocational education and skills development training opportunities.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of students enrolled in higher education institutions per year	University Education	Outcome 5: A skilled and capable workforce to support an inclusive growth path	994 067	– <sup>1</sup>	–
Proportion of higher education enrolments in science, engineering and technology: business: humanities	University Education		28:29:43	– <sup>1</sup>	–
Number of higher education graduates per year	University Education		173 771	– <sup>1</sup>	–
Number of headcount enrolments in further education and training colleges per year	Vocational and Continuing Education and Training		800 000	454 226	–
Number of full time equivalents enrolled in further education and training institutions per year	Vocational and Continuing Education and Training		348 772	248 399	–
Number of new artisans registered for training each year	Skills Development		27 000	10 688 <sup>2</sup>	–
Number of artisan learners competent each year	Skills Development		13 000	4 560 <sup>2</sup>	–

1. Audited data for the 2013 academic year will only be available from universities by October 2014.

2. Figures as at 31 August 2014.

### Mid-year progress

The department is on track with its enrolment targets for total headcount and full time equivalents in further education and training colleges. The number of registered and competent artisan learners as at 31 August 2014 already exceeds the biannual targets set in the 2014/15 annual performance plan for the two performance indicators. This increases the likelihood of the annual targets being achieved by the end of the financial year.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	217 101	-	-	3 806	-	-	-	3 806	220 907
Human Resource	48 785	-	-	1 770	-	-	-	1 770	50 555
Development, Planning and Monitoring Coordination									
University Education	30 448 037	-	-	(4 289)	-	-	-	(4 289)	30 443 748
Vocational and Continuing Education and Training	6 042 177	-	-	2 994	-	-	-	2 994	6 045 171
Skills Development	110 581	-	-	(4 281)	-	-	-	(4 281)	106 300
<b>Total</b>	<b>36 866 681</b>	-	-	-	-	-	-	-	<b>36 866 681</b>
<b>Direct charge against the National Revenue Fund</b>	<b>13 440 000</b>	-	-	-	-	-	(240 000)	(240 000)	<b>13 200 000</b>
Sector education and training authorities	10 752 647	-	-	-	-	-	(192 000)	(192 000)	10 560 647
National Skills Fund	2 687 353	-	-	-	-	-	(48 000)	(48 000)	2 639 353
<b>Total</b>	<b>50 306 681</b>	-	-	-	-	-	(240 000)	(240 000)	<b>50 066 681</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>610 534</b>	-	-	<b>10 068</b>	-	-	-	<b>10 068</b>	<b>620 602</b>
Compensation of employees	426 540	-	-	6 085	-	-	-	6 085	432 625
Goods and services	183 994	-	-	3 983	-	-	-	3 983	187 977
<b>Transfers and subsidies</b>	<b>49 692 470</b>	-	-	<b>(9 975)</b>	-	-	(240 000)	<b>(249 975)</b>	<b>49 442 495</b>
Provinces and municipalities	2 631 346	-	-	-	-	-	-	-	2 631 346
Departmental agencies and accounts	19 699 869	-	-	-	-	-	(240 000)	(240 000)	19 459 869
Higher education institutions	24 155 093	-	-	-	-	-	-	-	24 155 093
Foreign governments and international organisations	2 915	-	-	-	-	-	-	-	2 915
Non-profit institutions	3 203 247	-	-	(10 000)	-	-	-	(10 000)	3 193 247
Households	-	-	-	25	-	-	-	25	25
<b>Payments for capital assets</b>	<b>3 677</b>	-	-	<b>(93)</b>	-	-	-	<b>(93)</b>	<b>3 584</b>
Machinery and equipment	3 677	-	-	(93)	-	-	-	(93)	3 584
<b>Total</b>	<b>50 306 681</b>	-	-	-	-	-	(240 000)	(240 000)	<b>50 066 681</b>

## Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	31 560	-	-	(2 105)	-	-	-	(2 105)	29 455
Department Management	29 635	-	-	3 441	-	-	-	3 441	33 076
Corporate Services	63 189	-	-	5 149	-	-	-	5 149	68 338
Office of the Chief Financial Officer	41 662	-	-	103	-	-	-	103	41 765
Internal Audit	5 200	-	-	218	-	-	-	218	5 418
Office Accommodation	45 855	-	-	(3 000)	-	-	-	(3 000)	42 855
<b>Total</b>	<b>217 101</b>	-	-	<b>3 806</b>	-	-	-	<b>3 806</b>	<b>220 907</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>215 373</b>	-	-	<b>3 711</b>	-	-	-	<b>3 711</b>	<b>219 084</b>
Compensation of employees	114 987	-	-	8 793	-	-	-	8 793	123 780
Goods and services	100 386	-	-	(5 082)	-	-	-	(5 082)	95 304
<b>Transfers and subsidies</b>	<b>173</b>	-	-	<b>25</b>	-	-	-	<b>25</b>	<b>198</b>
Departmental agencies and accounts	173	-	-	-	-	-	-	-	173
Households	-	-	-	25	-	-	-	25	25
<b>Payments for capital assets</b>	<b>1 555</b>	-	-	<b>70</b>	-	-	-	<b>70</b>	<b>1 625</b>
Machinery and equipment	1 555	-	-	70	-	-	-	70	1 625
<b>Total</b>	<b>217 101</b>	-	-	<b>3 806</b>	-	-	-	<b>3 806</b>	<b>220 907</b>

**Programme 2: Human Resource Development, Planning and Monitoring Coordination**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: Human Resource Development, Planning and Monitoring Coordination	2 823	-	-	34	-	-	-	34	2 857
Human Resource Development, Strategic Planning and Coordination	11 320	-	-	1 387	-	-	-	1 387	12 707
Planning, Information, Monitoring and Evaluation Coordination	8 753	-	-	783	-	-	-	783	9 536
International Relations	10 284	-	-	166	-	-	-	166	10 450
Legal and Legislative Services	11 241	-	-	(782)	-	-	-	(782)	10 459
Social Inclusion in Education	4 364	-	-	182	-	-	-	182	4 546
<b>Total</b>	<b>48 785</b>	<b>-</b>	<b>-</b>	<b>1 770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 770</b>	<b>50 555</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>45 488</b>	<b>-</b>	<b>-</b>	<b>1 822</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 822</b>	<b>47 310</b>
Compensation of employees	38 125	-	-	1 307	-	-	-	1 307	39 432
Goods and services	7 363	-	-	515	-	-	-	515	7 878
<b>Transfers and subsidies</b>	<b>2 915</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 915</b>
Foreign governments and international organisations	2 915	-	-	-	-	-	-	-	2 915
<b>Payments for capital assets</b>	<b>382</b>	<b>-</b>	<b>-</b>	<b>(52)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(52)</b>	<b>330</b>
Machinery and equipment	382	-	-	(52)	-	-	-	(52)	330
<b>Total</b>	<b>48 785</b>	<b>-</b>	<b>-</b>	<b>1 770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 770</b>	<b>50 555</b>

**Programme 3: University Education**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: University Education	2 761	-	-	(1 294)	-	-	-	(1 294)	1 467
University: Academic Planning and Management	6 248 320	-	-	101	-	-	-	101	6 248 421
University: Financial Planning and Information Systems	8 916	-	-	(565)	-	-	-	(565)	8 351
University: Policy and Development	21 925	-	-	(2 007)	-	-	-	(2 007)	19 918
Teacher Education	11 022	-	-	(524)	-	-	-	(524)	10 498
University Subsidies	24 155 093	-	-	-	-	-	-	-	24 155 093
<b>Total</b>	<b>30 448 037</b>	<b>-</b>	<b>-</b>	<b>(4 289)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 289)</b>	<b>30 443 748</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>48 637</b>	<b>-</b>	<b>-</b>	<b>(4 256)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 256)</b>	<b>44 381</b>
Compensation of employees	42 466	-	-	(4 076)	-	-	-	(4 076)	38 390
Goods and services	6 171	-	-	(180)	-	-	-	(180)	5 991
<b>Transfers and subsidies</b>	<b>30 399 042</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 399 042</b>
Departmental agencies and accounts	6 236 529	-	-	-	-	-	-	-	6 236 529
Higher education institutions	24 155 093	-	-	-	-	-	-	-	24 155 093
Non-profit institutions	7 420	-	-	-	-	-	-	-	7 420
<b>Payments for capital assets</b>	<b>358</b>	<b>-</b>	<b>-</b>	<b>(33)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33)</b>	<b>325</b>
Machinery and equipment	358	-	-	(33)	-	-	-	(33)	325
<b>Total</b>	<b>30 448 037</b>	<b>-</b>	<b>-</b>	<b>(4 289)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 289)</b>	<b>30 443 748</b>

**Programme 4: Vocational and Continuing Education and Training**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management: Vocational and Continuing Education and Training	6 392	-	-	3 401	-	-	-	3 401	9 793
Planning and Institutional Support	5 845 926	-	-	(13 265)	-	-	-	(13 265)	5 832 661
Programmes and Qualifications	15 703	-	-	(416)	-	-	-	(416)	15 287
National Examination and Assessment	174 156	-	-	13 274	-	-	-	13 274	187 430
<b>Total</b>	<b>6 042 177</b>	<b>-</b>	<b>-</b>	<b>2 994</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 994</b>	<b>6 045 171</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>214 358</b>	<b>-</b>	<b>-</b>	<b>13 093</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 093</b>	<b>227 451</b>
Compensation of employees	157 734	-	-	4 099	-	-	-	4 099	161 833
Goods and services	56 624	-	-	8 994	-	-	-	8 994	65 618
<b>Transfers and subsidies</b>	<b>5 827 173</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>5 817 173</b>
Provinces and municipalities	2 631 346	-	-	-	-	-	-	-	2 631 346
Non-profit institutions	3 195 827	-	-	(10 000)	-	-	-	(10 000)	3 185 827
<b>Payments for capital assets</b>	<b>646</b>	<b>-</b>	<b>-</b>	<b>(99)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(99)</b>	<b>547</b>
Machinery and equipment	646	-	-	(99)	-	-	-	(99)	547
<b>Total</b>	<b>6 042 177</b>	<b>-</b>	<b>-</b>	<b>2 994</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 994</b>	<b>6 045 171</b>

**Programme 5: Skills Development**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management: Skills Development	3 025	-	-	(1 916)	-	-	-	(1 916)	1 109
SETA Coordination	75 225	-	-	(237)	-	-	-	(237)	74 988
National Skills Development Services	9 164	-	-	(2 128)	-	-	-	(2 128)	7 036
Quality Development and Promotion	23 167	-	-	-	-	-	-	-	23 167
<b>Total</b>	<b>110 581</b>	<b>-</b>	<b>-</b>	<b>(4 281)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 281)</b>	<b>106 300</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>86 678</b>	<b>-</b>	<b>-</b>	<b>(4 302)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 302)</b>	<b>82 376</b>
Compensation of employees	73 228	-	-	(4 038)	-	-	-	(4 038)	69 190
Goods and services	13 450	-	-	(264)	-	-	-	(264)	13 186
<b>Transfers and subsidies</b>	<b>23 167</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23 167</b>
Departmental agencies and accounts	23 167	-	-	-	-	-	-	-	23 167
<b>Payments for capital assets</b>	<b>736</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>757</b>
Machinery and equipment	736	-	-	21	-	-	-	21	757
<b>Total</b>	<b>110 581</b>	<b>-</b>	<b>-</b>	<b>(4 281)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 281)</b>	<b>106 300</b>

**Direct charges against the National Revenue Fund**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Sector education and training authorities	10 752 647	-	-	-	-	-	(192 000)	(192 000)	10 560 647
National Skills Fund	2 687 353	-	-	-	-	-	(48 000)	(48 000)	2 639 353
<b>Total</b>	<b>13 440 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(240 000)</b>	<b>(240 000)</b>	<b>13 200 000</b>
<b>Economic classification</b>									
<b>Transfers and subsidies</b>	<b>13 440 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(240 000)</b>	<b>(240 000)</b>	<b>13 200 000</b>
Departmental agencies and accounts	13 440 000	-	-	-	-	-	(240 000)	(240 000)	13 200 000
<b>Total</b>	<b>13 440 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(240 000)</b>	<b>(240 000)</b>	<b>13 200 000</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

#### Programmes

- 1.Administration
- 2.Human Resource Development, Planning and Monitoring Coordination
- 3.University Education
- 4.Vocational and Continuing Education and Training
- 5.Skills Development

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(5 434)</b>	<b>Programme 1</b>		<b>1 872</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(555)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	555
	Reallocation of funds due to delays in the finalisation of the office accommodation lease contract, which resulted in slow spending on this item <sup>1</sup>	(870)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12 <sup>1</sup>	870
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(25)	Households	Social benefits to employees who left the public service	25
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(422)	Machinery and equipment	Motor vehicle for the ministry protectors that was not originally budgeted for	422
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending <sup>1</sup>	(1 296)	<b>Programme 2</b>		<b>1 426</b>
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(130)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12 <sup>1</sup>	1 296
	Reallocation of funds due to delays in finalisation of the office accommodation lease contract, which resulted in slow spending on this item <sup>1</sup>	(1 784)	Goods and services	Printing of Government Gazette to develop the articulation and recognition of prior learning policy, and travel costs for the roadshow to promote the policy	130
			<b>Programme 4</b>		<b>1 784</b>
			Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12 <sup>1</sup>	1 784
			<b>Programme 2</b>		<b>65</b>
Machinery and equipment	Costs of purchasing being lower than budgeted for	(65)	Machinery and equipment	Upgrading of computer equipment	65
	Reallocation of funds due to delays in the purchasing of office equipment for newly appointed staff	(287)	<b>Programme 4</b>		<b>287</b>
			Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	287
Shifts within the programme as a percentage of the programme budget		0.9%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.6%</b>			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(244)</b>	<b>Programme 2</b>		<b>244</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(69)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	69
Compensation of employees	Vacant posts	(58)	Goods and services	Provision for the investment report to be published before the end of 2014/15, as well as for the function shifting from the provincial to the national sphere of government, which impacts on travel and subsistence costs that were not originally budgeted for	58
Machinery and equipment	Reallocation of funds due to delays in the purchasing of office equipment for newly appointed staff; cost of purchasing office equipment lower than budgeted for; and the realignment of funds to cater for expenditure not originally budgeted for	(117)	Goods and services	Provision for the investment report; cost containment measures effected on items such as communication to avoid over-expenditure on assets less than R5 000 due to price increases; and for the payment of outstanding invoices on stationery, printing and travel from the previous year	117
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(4 481)</b>	<b>Programme 2</b>		<b>228</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(228)	Goods and services	Travel and subsistence for the function shifting from the provincial to the national sphere of government; activities not originally budgeted for; and the printing of the Government Gazette to develop the articulation and recognition of prior learning policy, including travel costs for the roadshow to promote the policy	228
			<b>Programme 4</b>		<b>144</b>
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(144)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	144
			<b>Programme 1</b>		<b>3 330</b>
Compensation of employees	Vacant posts	(3 330)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	3 330
			<b>Programme 4</b>		<b>746</b>
	Vacant posts	(746)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	746
			<b>Programme 3</b>		<b>17</b>
Machinery and equipment	Reallocation of funds due to delays in the purchasing of office equipment for newly appointed staff	(17)	Goods and services	Overspending on travel and subsistence relating to an international trip that was not originally budgeted for, due to the depreciation of the Rand	17
			<b>Programme 4</b>		<b>16</b>
	Reallocation of funds as a result of delays in the purchasing of office equipment for newly appointed staff	(16)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	16
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(11 105)</b>	<b>Programme 2</b>		<b>19</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(19)	Goods and services	Provision for the investment report to be published before the end of 2014/15	19
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(62)	<b>Programme 3</b>		<b>129</b>
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending <sup>1</sup>	(67)	Goods and services	Travel costs for an international trip that was not originally budgeted for	62
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(858)	Goods and services	Travel costs for an international trip that was not originally budgeted for <sup>1</sup>	67
			<b>Programme 4</b>		<b>858</b>
			Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	858
			<b>Programme 2</b>		<b>32</b>
Machinery and equipment	Reallocation of funds as a result of delays in the purchasing of office equipment for newly appointed staff	(32)	Goods and services	Shifting of funds to avoid over-expenditure on travel and subsistence and venues and facilities items not originally budgeted for due to the function shifting from the provincial to the national sphere of government	32
	Reallocation of funds as a result of delays in the purchasing of office equipment for newly appointed staff	(46)	<b>Programme 3</b>		<b>46</b>
	Reallocation of funds as a result of delays in the purchasing of office equipment for newly appointed staff	(21)	Goods and services	Travel costs for an international trip that was not originally budgeted for	46
			<b>Programme 5</b>		<b>21</b>
			Machinery and equipment	Upgrading of old computer equipment	21
			<b>Programme 4</b>		<b>10 000</b>
Non-profit institutions	Reprioritisation of budget to address shortfalls on function shift project <sup>1</sup>	(10 000)	Goods and services	Provision for the management of the function shift from the provincial to the national sphere of government as well as to cater for travelling in the monitoring and evaluation of further education and training colleges	10 000
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(4 302)</b>	<b>Programme 4</b>		<b>264</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(264)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	264
	Vacant posts	(4 038)	<b>Programme 1</b>		<b>4 038</b>
Compensation of employees			Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	4 038
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.9%</b>			
<b>Total</b>		<b>(25 566)</b>			<b>25 566</b>

1. National Treasury approval has been obtained.

## Other Adjustments – R240 million

### Direct charges against the National Revenue Fund – R240 million

Based on the actual spending to date, projected spending on the skills development levy has been reduced by R240 million. Therefore, the revised projected expenditure on the levy in 2014/15 is R13.2 billion, of which the sector education and training authorities are to receive R10.560 billion and the National Skills Fund is to receive R2.639 billion.

### Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	adjusted % of appropriation	Apr 13 - Mar 14	adjusted % of appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted % of appropriation	
Administration	189 659	100 743	53.1	203 044	107.1	220 907	0.4	122 732	55.6	
Human Resource	47 440	21 616	45.6	43 535	91.8	50 555	0.1	22 014	43.5	
Development, Planning and Monitoring Coordination										
University Education	28 300 740	21 074 282	74.5	28 299 279	100.0	30 443 748	60.8	23 908 507	78.5	
Vocational and Continuing Education and Training	5 691 008	2 990 169	52.5	5 686 388	99.9	6 045 171	12.1	3 268 240	54.1	
Skills Development	105 053	48 835	46.5	99 723	94.9	106 300	0.2	52 179	49.1	
<b>Subtotal</b>	<b>34 333 900</b>	<b>24 235 645</b>	<b>70.6</b>	<b>34 331 969</b>	<b>100.0</b>	<b>36 866 681</b>	<b>73.6</b>	<b>27 373 672</b>	<b>74.3</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>12 300 000</b>	<b>5 616 086</b>	<b>45.7</b>	<b>12 090 186</b>	<b>98.3</b>	<b>13 200 000</b>	<b>26.4</b>	<b>6 415 632</b>	<b>48.6</b>	
Sector education and training authorities	9 840 592	4 492 929	45.7	9 673 818	98.3	10 560 647	21.1	5 132 551	48.6	
National Skills Fund	2 459 408	1 123 157	45.7	2 416 368	98.2	2 639 353	5.3	1 283 081	48.6	
<b>Total</b>	<b>46 633 900</b>	<b>29 851 731</b>	<b>64.0</b>	<b>46 422 155</b>	<b>99.5</b>	<b>50 066 681</b>	<b>100.0</b>	<b>33 789 304</b>	<b>67.5</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>579 550</b>	<b>290 159</b>	<b>50.1</b>	<b>576 584</b>	<b>99.5</b>	<b>620 602</b>	<b>1.2</b>	<b>341 220</b>	<b>55.0</b>	
Compensation of employees	402 700	199 876	49.6	398 450	98.9	432 625	0.9	230 720	53.3	
Goods and services	176 850	90 283	51.1	178 134	100.7	187 977	0.4	110 500	58.8	
<b>Transfers and subsidies</b>	<b>46 048 679</b>	<b>29 559 145</b>	<b>64.2</b>	<b>45 840 512</b>	<b>99.5</b>	<b>49 442 495</b>	<b>98.8</b>	<b>33 446 520</b>	<b>67.6</b>	
Provinces and municipalities	2 454 188	1 371 907	55.9	2 454 188	100.0	2 631 346	5.3	1 534 972	58.3	
Departmental agencies and accounts	18 182 606	10 496 768	57.7	17 972 736	98.8	19 459 869	38.9	11 271 198	57.9	
Higher education institutions	22 388 767	16 183 053	72.3	22 388 767	100.0	24 155 093	48.2	19 037 073	78.8	
Foreign governments and international organisations	2 864	–	0.0	2 927	102.2	2 915	0.0	–	0.0	
Non-profit institutions	3 020 189	1 506 610	49.9	3 020 189	100.0	3 193 247	6.4	1 603 219	50.2	
Households	65	807	1241.5	1 705	2623.1	25	0.0	58	232.0	
<b>Payments for capital assets</b>	<b>5 671</b>	<b>2 427</b>	<b>42.8</b>	<b>5 059</b>	<b>89.2</b>	<b>3 584</b>	<b>0.0</b>	<b>1 564</b>	<b>43.6</b>	
Machinery and equipment	5 446	2 209	40.6	5 032	92.4	3 584	0.0	1 564	43.6	
Software and other intangible assets	225	218	96.9	27	12.0	–	0.0	–	0.0	
<b>Total</b>	<b>46 633 900</b>	<b>29 851 731</b>	<b>64.0</b>	<b>46 422 155</b>	<b>99.5</b>	<b>50 066 681</b>	<b>100.0</b>	<b>33 789 304</b>	<b>67.5</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R33.789 billion, or 67.5 per cent of the adjusted appropriation of R50.067 billion for the year. In comparison, mid-year expenditure in 2013/14 was R29.852 billion, or 64 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R3.938 billion, or 13.2 per cent. This was mainly due to increases in allocations made to university subsidies; the National Student Financial Aid Scheme for bursaries; accommodation charges; transfers to further education and training colleges; adult education and training examination functions; establishment costs of universities in Mpumalanga and the Northern Cape, and the provision for the improvement of conditions of service for salary adjustments.



## Departmental receipts

R thousand	2013/14					2014/15				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>10 915</b>	<b>5 790</b>	<b>53.0</b>	<b>11 880</b>	<b>108.8</b>	<b>9 425</b>	<b>10 323</b>	<b>100.0</b>	<b>6 040</b>	<b>58.5</b>
Sales of goods and services produced by department	5 583	3 128	56.0	6 042	108.2	4 382	5 138	49.7	2 871	55.9
Sales of scrap, waste, arms and other used current goods	60	25	41.7	29	48.3	17	18	0.2	9	50.0
Interest, dividends and rent on land	3 096	1 541	49.8	3 374	109.0	3 394	3 394	32.9	2 852	84.0
Transactions in financial assets and liabilities	2 176	1 096	50.4	2 435	111.9	1 632	1 773	17.2	308	17.4
<b>Total</b>	<b>10 915</b>	<b>5 790</b>	<b>53.0</b>	<b>11 880</b>	<b>108.8</b>	<b>9 425</b>	<b>10 323</b>	<b>100.0</b>	<b>6 040</b>	<b>58.5</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R6.040 million, or 58.5 per cent of the adjusted revenue estimate of R10.323 million for the year. In comparison, mid-year revenue in 2013/14 was R5.790 million, or 53 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R250 000, or 4.3 per cent. This was mainly due to increased fees received for interest on the department's bank account.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	25	-	-	-	25	25
Employee social benefits	-	-	-	25	-	-	-	25	25
<b>Vocational and Continuing Education and Training</b>									
<b>Non-profit institutions</b>									
<b>Current</b>	3 195 827	-	-	(10 000)	-	-	-	(10 000)	3 185 827
Further education and training colleges	3 195 827	-	-	(10 000)	-	-	-	(10 000)	3 185 827
<b>Direct charge against the National Revenue Fund</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	13 440 000	-	-	-	-	-	(240 000)	(240 000)	13 200 000
Sector education and training authorities	10 752 647	-	-	-	-	-	(192 000)	(192 000)	10 560 647
National Skills Fund	2 687 353	-	-	-	-	-	(48 000)	(48 000)	2 639 353



## Labour

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>2 527 292</b>	<b>2 546 292</b>	–	19 000
<b>of which:</b>				
Current payments	1 553 963	1 591 086	–	37 123
Transfers and subsidies	942 351	927 587	(14 764)	–
Payments for capital assets	30 978	27 619	(3 359)	–
Executive authority	Minister of Labour			
Accounting officer	Director-General of Labour			
Website address	www.labour.gov.za/DOL			

### Aim

*Play a significant role in reducing unemployment, poverty and inequality through pursuing the objectives of full and productive employment and decent work for all, including: employment creation and enterprise development; standards and rights at work including equality of opportunities; social protection; and social dialogue.*

### 2014 national macro organisation of the state

In accordance with the re-organisation of some national departments announced by the President in May 2014, provision has been made for a deputy ministry, for which a new sub-sub programme is being created. It will be included in the 2015 ENE and is to take effect from April 2015.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of workplaces inspected per year	Inspection and Enforcement Services	Outcome 4: Decent employment through inclusive economic growth	183 870	60 274 <sup>1</sup>	–
Number of work seekers registered on the Employment Services of South Africa system per year	Public Employment Services		550 000	290 599	–
Percentage (and number) of work seekers registered on the system provided with employment counselling per year	Public Employment Services		275 000 (50%)	125 973 (46%)	–
Number of work seekers placed in registered employment opportunities per year	Public Employment Services		20 000	8 102	–
Number of existing sectoral determinations reviewed	Labour Policy and Industrial Relations		4	0	–

<sup>1</sup> This performance data has not yet been audited by the department.

#### Mid-year progress

By 30 September 2014, 125 973 work seekers had been provided with employment counselling and 8 102 had been placed in registered employment opportunities. This is much lower than expected, due to insufficient capacity at labour centres and a mismatch between the skills of registered work seekers and the skills sought by registered employers. There has been no achievement to date on the number of existing sectoral determinations reviewed. This is due to the incomplete review of the sectoral determinations by the Employment Conditions Commission and the department not publishing the determinations. The public

hearings on the sectoral determinations for the contract cleaning and domestic worker sectors were held in July 2014. Delivery against this target is planned for the second half of 2014/15.

Apart from these indicators, the department is on track to meet its other performance targets.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	787 694	-	4 000	(6 775)	-	-	-	(2 775)	784 919
Inspection and Enforcement Services	403 174	-	-	7 231	-	-	-	7 231	410 405
Public Employment Services	466 533	-	15 000	-	-	-	-	15 000	481 533
Labour Policy and Industrial Relations	869 891	-	-	(456)	-	-	-	(456)	869 435
<b>Total</b>	<b>2 527 292</b>	<b>-</b>	<b>19 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 000</b>	<b>2 546 292</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 553 963</b>	<b>-</b>	<b>4 000</b>	<b>33 123</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37 123</b>	<b>1 591 086</b>
Compensation of employees	966 516	-	2 707	36 861	-	-	-	39 568	1 006 084
Goods and services	587 447	-	1 293	(3 738)	-	-	-	(2 445)	585 002
<b>Transfers and subsidies</b>	<b>942 351</b>	<b>-</b>	<b>15 000</b>	<b>(29 764)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14 764)</b>	<b>927 587</b>
Provinces and municipalities	2	-	-	-	-	-	-	-	2
Departmental agencies and accounts	774 941	-	15 000	-	-	-	-	15 000	789 941
Foreign governments and international organisations	16 461	-	-	980	-	-	-	980	17 441
Non-profit institutions	150 652	-	-	(31 200)	-	-	-	(31 200)	119 452
Households	295	-	-	456	-	-	-	456	751
<b>Payments for capital assets</b>	<b>30 978</b>	<b>-</b>	<b>-</b>	<b>(3 359)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 359)</b>	<b>27 619</b>
Buildings and other fixed structures	17	-	-	285	-	-	-	285	302
Machinery and equipment	30 961	-	-	(3 644)	-	-	-	(3 644)	27 317
<b>Total</b>	<b>2 527 292</b>	<b>-</b>	<b>19 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 000</b>	<b>2 546 292</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Ministry	14 299	-	4 000	-	-	-	-	4 000	18 299
Management	395 191	-	-	10 025	-	-	-	10 025	405 216
Corporate Services	62 993	-	-	-	-	-	-	-	62 993
Office of the Chief Financial Officer	136 043	-	-	(17 085)	-	-	-	(17 085)	118 958
Office Accommodation	179 168	-	-	285	-	-	-	285	179 453
<b>Total</b>	<b>787 694</b>	<b>-</b>	<b>4 000</b>	<b>(6 775)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 775)</b>	<b>784 919</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>756 538</b>	<b>-</b>	<b>4 000</b>	<b>(667)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 333</b>	<b>759 871</b>
Compensation of employees	332 814	-	2 707	(633)	-	-	-	2 074	334 888
Goods and services	423 724	-	1 293	(34)	-	-	-	1 259	424 983
<b>Transfers and subsidies</b>	<b>199</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199</b>
Households	199	-	-	-	-	-	-	-	199
<b>Payments for capital assets</b>	<b>30 957</b>	<b>-</b>	<b>-</b>	<b>(6 108)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 108)</b>	<b>24 849</b>
Buildings and other fixed structures	17	-	-	285	-	-	-	285	302
Machinery and equipment	30 940	-	-	(6 393)	-	-	-	(6 393)	24 547
<b>Total</b>	<b>787 694</b>	<b>-</b>	<b>4 000</b>	<b>(6 775)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 775)</b>	<b>784 919</b>

**Programme 2: Inspection and Enforcement Services**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management and Support Services: Inspection and Enforcement Services	15 281	-	-	(10 679)	-	-	-	(10 679)	4 602
Occupational Health and Safety Registration: Inspection and Enforcement Services	22 650	-	-	3 231	-	-	-	3 231	25 881
Compliance, Monitoring and Enforcement	61 659	-	-	(5 778)	-	-	-	(5 778)	55 881
Training of Staff: Inspection and Enforcement Services	293 947	-	-	15 181	-	-	-	15 181	309 128
Statutory and Advocacy Services	4 926	-	-	1 201	-	-	-	1 201	6 127
Statutory and Advocacy Services	4 711	-	-	4 075	-	-	-	4 075	8 786
<b>Total</b>	<b>403 174</b>	<b>-</b>	<b>-</b>	<b>7 231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 231</b>	<b>410 405</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>403 115</b>	<b>-</b>	<b>-</b>	<b>5 144</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 144</b>	<b>408 259</b>
Compensation of employees	317 431	-	-	7 231	-	-	-	7 231	324 662
Goods and services	85 684	-	-	(2 087)	-	-	-	(2 087)	83 597
<b>Transfers and subsidies</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>103</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103</b>	<b>162</b>
Households	59	-	-	103	-	-	-	103	162
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 984</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 984</b>	<b>1 984</b>
Machinery and equipment	-	-	-	1 984	-	-	-	1 984	1 984
<b>Total</b>	<b>403 174</b>	<b>-</b>	<b>-</b>	<b>7 231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 231</b>	<b>410 405</b>

**Programme 3: Public Employment Services**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management and Support Services: Public Employment Services	32 952	-	-	300	-	-	-	300	33 252
Employer Services	116 968	-	-	(300)	-	-	-	(300)	116 668
Work Seeker Services	114 179	-	-	-	-	-	-	-	114 179
Designated Groups Special Services	850	-	-	-	-	-	-	-	850
Sheltered Employment Factories and Subsidies to Designated Workshops	139 164	-	-	-	-	-	-	-	139 164
Productivity South Africa	43 119	-	-	-	-	-	-	-	43 119
Unemployment Insurance Fund	1	-	-	-	-	-	-	-	1
Compensation Fund	17 278	-	15 000	-	-	-	-	15 000	32 278
Training of Staff: Public Employment Services	2 022	-	-	-	-	-	-	-	2 022
<b>Total</b>	<b>466 533</b>	<b>-</b>	<b>15 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 000</b>	<b>481 533</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>272 764</b>	<b>-</b>	<b>-</b>	<b>30 650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 650</b>	<b>303 414</b>
Compensation of employees	237 378	-	-	30 000	-	-	-	30 000	267 378
Goods and services	35 386	-	-	650	-	-	-	650	36 036
<b>Transfers and subsidies</b>	<b>193 769</b>	<b>-</b>	<b>15 000</b>	<b>(31 200)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16 200)</b>	<b>177 569</b>
Departmental agencies and accounts	60 398	-	15 000	-	-	-	-	15 000	75 398
Non-profit institutions	133 334	-	-	(31 200)	-	-	-	(31 200)	102 134
Households	37	-	-	-	-	-	-	-	37
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>550</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>550</b>	<b>550</b>
Machinery and equipment	-	-	-	550	-	-	-	550	550
<b>Total</b>	<b>466 533</b>	<b>-</b>	<b>15 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 000</b>	<b>481 533</b>

**Programme 4: Labour Policy and Industrial Relations**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management and Support Services: Labour Policy and Industrial Relations	13 585	-	-	(906)	-	-	-	(906)	12 679
Strengthen Civil Society	17 318	-	-	-	-	-	-	-	17 318
Collective Bargaining	14 504	-	-	69	-	-	-	69	14 573
Employment Equity	14 484	-	-	71	-	-	-	71	14 555
Employment Standards	12 706	-	-	(74)	-	-	-	(74)	12 632
Commission for Conciliation, Mediation and Arbitration	687 096	-	-	-	-	-	-	-	687 096
Research, Policy and Planning	11 736	-	-	(1 957)	-	-	-	(1 957)	9 779
Labour Market Information and Statistics	36 466	-	-	1 175	-	-	-	1 175	37 641
International Labour Matters	33 907	-	-	1 433	-	-	-	1 433	35 340
National Economic Development and Labour Council	28 089	-	-	(267)	-	-	-	(267)	27 822
<b>Total</b>	<b>869 891</b>	<b>-</b>	<b>-</b>	<b>(456)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(456)</b>	<b>869 435</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>121 546</b>	<b>-</b>	<b>-</b>	<b>(2 004)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 004)</b>	<b>119 542</b>
Compensation of employees	78 893	-	-	263	-	-	-	263	79 156
Goods and services	42 653	-	-	(2 267)	-	-	-	(2 267)	40 386
<b>Transfers and subsidies</b>	<b>748 324</b>	<b>-</b>	<b>-</b>	<b>1 333</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 333</b>	<b>749 657</b>
Provinces and municipalities	2	-	-	-	-	-	-	-	2
Departmental agencies and accounts	714 543	-	-	-	-	-	-	-	714 543
Foreign governments and international organisations	16 461	-	-	980	-	-	-	980	17 441
Non-profit institutions	17 318	-	-	-	-	-	-	-	17 318
Households	-	-	-	353	-	-	-	353	353
<b>Payments for capital assets</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>215</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>215</b>	<b>236</b>
Machinery and equipment	21	-	-	215	-	-	-	215	236
<b>Total</b>	<b>869 891</b>	<b>-</b>	<b>-</b>	<b>(456)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(456)</b>	<b>869 435</b>

**Details of adjustments to the Estimates of National Expenditure 2014**

**Unforeseeable and unavoidable expenditure – R19 million**

**Programme 1: Administration**

An additional R4 million has been allocated for the new deputy ministry.

**Programme 3: Public Employment Services**

An additional R15 million has been allocated for the administration costs of public servants' claims for injury on duty.

**Virements and shifts**

Programmes					
1. Administration					
2. Inspection and Enforcement Services					
3. Public Employment Services					
4. Labour Policy and Industrial Relations					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(31 123)</b>	<b>Programme 1</b>		<b>8 892</b>
Goods and services	Cost containment measures effected on various items	(100)	Machinery and equipment	Furniture and equipment for the department's head office and the Vryheid labour centre <sup>1</sup>	100
	Cost containment measures effected on various items	(390)	Machinery and equipment	Furniture and equipment for the department's head office and the Vryheid labour centre <sup>1</sup>	390

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Compensation of employees	Vacant posts	(8 117)	Machinery and equipment	Security scanners and furniture and equipment at head office <sup>1</sup>	8 117
	Vacant posts	(285)	Buildings and other fixed structures	Security scanners and closed circuit television cameras at the Vryheid labour centre	285
	Vacant posts	(7 231)	<b>Programme 2</b>	Office accommodation <sup>1</sup>	<b>7 231</b>
			Compensation of employees	Inspector posts <sup>1</sup>	7 231
			<b>Programme 1</b>		<b>15 000</b>
Machinery and equipment	Reallocation of funds from transport equipment <sup>1</sup>	(15 000)	Compensation of employees	IT staff <sup>1</sup>	15 000
Shifts within the programme as a percentage of the programme budget		3.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.9%</b>			
<b>Programme 2</b>		<b>(2 087)</b>	<b>Programme 2</b>		<b>2 087</b>
Goods and services	Reallocation of funds from bursaries, catering, consultants, and contractors	(103)	Households	Leave gratuities <sup>1</sup>	103
	Reallocation of funds from consultants, and travel	(1 932)	Machinery and equipment	Furniture and equipment for the department's head office <sup>1</sup>	1 932
	Reallocation of funds from advertising, entertainment, and inventory	(52)	Machinery and equipment	Office equipment <sup>1</sup>	52
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(31 750)</b>	<b>Programme 3</b>		<b>31 750</b>
Goods and services	Cost containment measures effected on various items	(550)	Machinery and equipment	Machinery and equipment at the department's head office and labour centres <sup>1</sup>	550
Non-profit institutions	Reallocation in transfers to provide an agency service on behalf of supported employment enterprises <sup>1</sup>	(30 000)	Compensation of employees	Agency service for the supported employment enterprises <sup>1</sup>	30 000
	Reallocation in transfers to provide an agency service on behalf of supported employment enterprises <sup>1</sup>	(1 200)	Goods and services	Agency service for the supported employment enterprises <sup>1</sup>	1 200
Shifts within the programme as a percentage of the programme budget		6.8%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(2 620)</b>	<b>Programme 1</b>		<b>456</b>
Goods and services	Reallocation of funds from legal costs, contractors, outsourced services, and entertainment	(456)	Goods and services	Communication costs	456
	Reallocation of funds from communication, catering, and operating leases	(616)	<b>Programme 4</b>		<b>2 164</b>
	Reallocation of funds from outsourced services, entertainment, and inventory	(215)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12; pay progression and inflation adjustments	616
	Reallocation of funds from advertising, catering, communication, and entertainment	(980)	Machinery and equipment	Filing system, office furniture and equipment at the department's head office <sup>1</sup>	215
Compensation of employees	Vacant posts	(353)	Foreign governments and international organisations	Increased membership fee to the International Labour Organisation due to depreciation of the Rand <sup>1</sup>	980
			Households	Leave gratuities <sup>1</sup>	353
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Total</b>		<b>(67 580)</b>			<b>67 580</b>

1. National Treasury approval has been obtained.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
Administration	840 449	326 979	38.9	795 870	94.7	784 919	30.8	302 036	38.5
Inspection and Enforcement Services	440 190	197 258	44.8	412 213	93.6	410 405	16.1	216 116	52.7
Public Employment Services	400 117	206 508	51.6	413 495	103.3	481 533	18.9	271 070	56.3
Labour Policy and Industrial Relations	764 491	364 694	47.7	749 866	98.1	869 435	34.1	412 967	47.5
<b>Total</b>	<b>2 445 247</b>	<b>1 095 439</b>	<b>44.8</b>	<b>2 371 444</b>	<b>97.0</b>	<b>2 546 292</b>	<b>100.0</b>	<b>1 202 189</b>	<b>47.2</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 560 525</b>	<b>666 919</b>	<b>42.7</b>	<b>1 469 628</b>	<b>94.2</b>	<b>1 591 086</b>	<b>62.5</b>	<b>686 953</b>	<b>43.2</b>
Compensation of employees	881 956	423 285	48.0	866 137	98.2	1 006 084	39.5	501 206	49.8
Goods and services	678 569	243 634	35.9	603 491	88.9	585 002	23.0	185 747	31.8
<b>Transfers and subsidies</b>	<b>824 164</b>	<b>408 920</b>	<b>49.6</b>	<b>823 379</b>	<b>99.9</b>	<b>927 587</b>	<b>36.4</b>	<b>491 132</b>	<b>52.9</b>
Provinces and municipalities	239	141	59.0	446	186.6	2	0.0	252	12600.0
Departmental agencies and accounts	676 207	346 507	51.2	676 182	100.0	789 941	31.0	401 067	50.8
Foreign governments and international organisations	15 594	21	0.1	15 914	102.1	17 441	0.7	-	0.0
Non-profit institutions	130 970	60 341	46.1	127 702	97.5	119 452	4.7	87 576	73.3
Households	1 154	1 910	165.5	3 135	271.7	751	0.0	2 237	297.9
<b>Payments for capital assets</b>	<b>60 558</b>	<b>19 600</b>	<b>32.4</b>	<b>60 300</b>	<b>99.6</b>	<b>27 619</b>	<b>1.1</b>	<b>24 097</b>	<b>87.2</b>
Buildings and other fixed structures	5 486	89	1.6	1 549	28.2	302	0.0	286	94.7
Machinery and equipment	55 072	19 511	35.4	58 751	106.7	27 317	1.1	23 811	87.2
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>18 137</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>7</b>	<b>0.0</b>
<b>Total</b>	<b>2 445 247</b>	<b>1 095 439</b>	<b>44.8</b>	<b>2 371 444</b>	<b>97.0</b>	<b>2 546 292</b>	<b>100.0</b>	<b>1 202 189</b>	<b>47.2</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 97 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R1.202 billion, or 47.2 per cent of the adjusted appropriation of R2.546 billion for the year. In comparison, mid-year expenditure in 2013/14 was R1.095 billion, or 44.8 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R106.750 million, or 9.7 per cent. This was mainly due to higher transfers to the supported employment enterprises and the Commission for Conciliation Mediation and Arbitration, procurement of departmental vehicles as well as the establishment of the new deputy ministry, the appointment of IT staff and the agency agreement for the payment on PERSAL for the salaries of staff from supported employment enterprises.

### Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted Estimate	Audited outcome		Actual receipts		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate					
<b>Departmental receipts</b>	<b>15 158</b>	<b>6 178</b>	<b>40.8</b>	<b>22 601</b>	<b>149.1</b>	<b>10 092</b>	<b>10 092</b>	<b>100.0</b>	<b>5 363</b>	<b>53.1</b>
Sales of goods and services produced by department	3 626	2 309	63.7	4 179	115.3	3 265	3 596	35.6	2 060	57.3
Sales of scrap, waste, arms and other used current goods	25	13	52.0	30	120.0	12	30	0.3	17	56.7
Fines, penalties and forfeits	600	10	1.7	44	7.3	60	40	0.4	-	0.0
Interest, dividends and rent on land	997	517	51.9	6 317	633.6	1 417	1 317	13.1	433	32.9
Sales of capital assets	-	-	0.0	-	0.0	-	100	1.0	50	50.0
Transactions in financial assets and liabilities	9 910	3 329	33.6	12 031	121.4	5 338	5 009	49.6	2 803	56.0
<b>Total</b>	<b>15 158</b>	<b>6 178</b>	<b>40.8</b>	<b>22 601</b>	<b>149.1</b>	<b>10 092</b>	<b>10 092</b>	<b>100.0</b>	<b>5 363</b>	<b>53.1</b>



## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R5.363 million, or 53.1 per cent of the adjusted revenue estimate of R10.092 million for the year. In comparison, mid-year revenue in 2013/14 was R6.178 million, or 40.8 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R815 000, or 13.2 per cent. This was mainly due to a decrease in recoveries from previous financial years.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Inspection and Enforcement Services</b>									
Households									
Social benefits									
Current	59	-	-	103	-	-	-	103	162
Employee social benefits	59	-	-	103	-	-	-	103	162
<b>Public Employment Services</b>									
Departmental agencies and accounts									
Social security funds									
Current	17 278	-	15 000	-	-	-	-	15 000	32 278
Compensation Fund	17 278	-	15 000	-	-	-	-	15 000	32 278
<b>Non-profit institutions</b>									
Current	122 332	-	-	(31 200)	-	-	-	(31 200)	91 132
Work-centres for the disabled	122 332	-	-	(31 200)	-	-	-	(31 200)	91 132
<b>Labour Policy and Industrial Relations</b>									
Foreign governments and international organisations									
Current	15 716	-	-	980	-	-	-	980	16 696
International Labour Organisation	15 716	-	-	980	-	-	-	980	16 696
Households									
Social benefits									
Current	-	-	-	353	-	-	-	353	353
Employee social benefits	-	-	-	353	-	-	-	353	353



# Vote 19

## Social Development

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>128 799 378</b>	<b>128 593 644</b>	(205 734)	–
<i>of which:</i>				
Current payments	679 369	762 352	–	82 983
Transfers and subsidies	128 113 311	127 813 481	(299 830)	–
Payments for capital assets	6 698	17 811	–	11 113
Executive authority	Minister of Social Development			
Accounting officer	Director-General of Social Development			
Website address	www.dsd.gov.za			

### Aim

*Ensure protection against vulnerability by creating an enabling environment for the provision of a comprehensive, integrated and sustainable social development service.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, certain functions from the former Department of Women, Children and People with Disabilities have shifted to the Department of Social Development. These are the functions related to children and people with disabilities.

The Children's Rights and Responsibilities and Rights for People with Disabilities programmes from the former Department of Women, Children and People with Disabilities are taken over by the Department of Social Development. The functions for these programmes are to be performed by the Children and People with Disabilities subprogrammes within the Welfare Services Policy Development and Implementation Support programme.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Total number of old age grant beneficiaries	Social Assistance	Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all	3.1 million	3.0 million	–
Total number of war veterans grant beneficiaries	Social Assistance		305	367	–
Total number of disability grant beneficiaries	Social Assistance		1.1 million	1.1 million	–
Total number of child support grant beneficiaries	Social Assistance		11.2 million	11.4 million	–
Total number of foster care grant beneficiaries	Social Assistance		553 885	545 944	–
Total number of care dependency grant beneficiaries	Social Assistance		135 285	134 364	–
Total number of grant-in-aid beneficiaries	Social Assistance		82 290	92 820	–
Percentage of appeals adjudicated within a period of 90 days	Social Security Policy and Administration	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	60% (1 200)	36% (513)	–
Number of social work scholarship graduates per year	Welfare Services Policy Development and Implementation Support		1 534	0	–

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of youth reached through loveLife as mPintshis (mPs) to implement social and behaviour change programmes	Welfare Services Policy Development and Implementation Support	Outcome 2: A long and healthy life for all South Africans	2 700	0 <sup>2</sup>	–
Number of youth reached through loveLife as ground breakers to implement social and behaviour change programmes	Welfare Services Policy Development and Implementation Support		540	0 <sup>2</sup>	–
Total number of registered early childhood development centres captured on the national database	Welfare Services Policy Development and Implementation Support	Outcome 1: Improved quality of basic education	23 178	23 827	–
Percentage of applications for registration as non-profit organisation processed within 2 months	Social Policy and Integrated Service Delivery	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	95% (18 901)	98% (13 604)	–
Number of people accessing food through food security programmes each year	Social Policy and Integrated Service Delivery	Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all	1 million	363 033	–

1. This is an annual target, with graduation taking place at the end of the calendar year.

2. This is an annual target, with youth training taking place in January 2015.

### Mid-year progress

By the end of September 2014, 16.24 million grant beneficiaries had been reached. The number of children receiving the child support grant has exceeded the annual target due to the South African Social Security Agency's outreach programme.

Providing social grant applicants with an opportunity to appeal the outcome of their application remains a priority for the department. As a result, 513 (36 per cent) social grant appeals cases were adjudicated within 90 days of receipt in the first six months of the financial year.

In an effort to meet the longer term target of registering 90 per cent of early childhood development centres by 2018, the department has exceeded its annual target and has 23 827 registered centres captured on the national database.

The department received a total of 13 940 applications for the registration of non-profit organisations and processed 13 604 of received applications (98 per cent) within two months, thus exceeding its annual target. The improved performance is largely attributed to additional funding received to increase the capacity for this function.

363 033 people have accessed food through the department's food security programme in the first six months of the year. The number of people fed will increase once the department has finalised the establishment of the provincial food distribution centres and the community nutrition development centres. The department will fast track the process to meet the annual target.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	275 065	-	-	8 500	3 851	-	-	12 351	287 416
Social Assistance	120 952 101	-	-	-	-	(250 000)	-	(250 000)	120 702 101
Social Security Policy and Administration	6 662 596	-	-	(45 300)	-	-	-	(45 300)	6 617 296
Welfare Services Policy Development and Implementation	586 450	-	-	23 550	29 915	-	-	53 465	639 915
Support Social Policy and Integrated Service Delivery	323 166	10 500	-	13 250	-	-	-	23 750	346 916
<b>Total</b>	<b>128 799 378</b>	<b>10 500</b>	<b>-</b>	<b>-</b>	<b>33 766</b>	<b>(250 000)</b>	<b>-</b>	<b>(205 734)</b>	<b>128 593 644</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>679 369</b>	<b>-</b>	<b>-</b>	<b>49 830</b>	<b>33 153</b>	<b>-</b>	<b>-</b>	<b>82 983</b>	<b>762 352</b>
Compensation of employees	355 829	-	-	1 900	18 379	-	-	20 279	376 108
Goods and services	323 540	-	-	47 930	14 774	-	-	62 704	386 244
<b>Transfers and subsidies</b>	<b>128 113 311</b>	<b>-</b>	<b>-</b>	<b>(49 830)</b>	<b>-</b>	<b>(250 000)</b>	<b>-</b>	<b>(299 830)</b>	<b>127 813 481</b>
Provinces and municipalities	29 000	-	-	-	-	-	-	-	29 000
Departmental agencies and accounts	7 009 926	-	-	(50 000)	-	-	-	(50 000)	6 959 926
Higher education institutions	400	-	-	1 800	-	-	-	1 800	2 200
Foreign governments and international organisations	3 260	-	-	399	-	-	-	399	3 659
Non-profit institutions	77 624	-	-	(2 029)	-	-	-	(2 029)	75 595
Households	120 993 101	-	-	-	-	(250 000)	-	(250 000)	120 743 101
<b>Payments for capital assets</b>	<b>6 698</b>	<b>10 500</b>	<b>-</b>	<b>-</b>	<b>613</b>	<b>-</b>	<b>-</b>	<b>11 113</b>	<b>17 811</b>
Buildings and other fixed structures	-	-	-	300	-	-	-	300	300
Machinery and equipment	6 243	10 500	-	(300)	613	-	-	10 813	17 056
Software and other intangible assets	455	-	-	-	-	-	-	-	455
<b>Total</b>	<b>128 799 378</b>	<b>10 500</b>	<b>-</b>	<b>-</b>	<b>33 766</b>	<b>(250 000)</b>	<b>-</b>	<b>(205 734)</b>	<b>128 593 644</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Ministry	24 949	-	-	5 000	-	-	-	5 000	29 949
Department Management	61 158	-	-	-	3 851	-	-	3 851	65 009
Corporate Management	94 672	-	-	2 500	-	-	-	2 500	97 172
Finance	53 854	-	-	1 000	-	-	-	1 000	54 854
Internal Audit	10 810	-	-	-	-	-	-	-	10 810
Office Accommodation	29 622	-	-	-	-	-	-	-	29 622
<b>Total</b>	<b>275 065</b>	<b>-</b>	<b>-</b>	<b>8 500</b>	<b>3 851</b>	<b>-</b>	<b>-</b>	<b>12 351</b>	<b>287 416</b>

**Programme 1: Administration (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>272 424</b>	–	–	<b>8 500</b>	<b>3 821</b>	–	–	<b>12 321</b>	<b>284 745</b>
Compensation of employees	152 651	–	–	1 900	3 301	–	–	5 201	157 852
Goods and services	119 773	–	–	6 600	520	–	–	7 120	126 893
<b>Payments for capital assets</b>	<b>2 641</b>	–	–	–	<b>30</b>	–	–	<b>30</b>	<b>2 671</b>
Machinery and equipment	2 186	–	–	–	30	–	–	30	2 216
Software and other intangible assets	455	–	–	–	–	–	–	–	455
<b>Total</b>	<b>275 065</b>	–	–	<b>8 500</b>	<b>3 851</b>	–	–	<b>12 351</b>	<b>287 416</b>

**Programme 2: Social Assistance**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Old Age	49 821 677	–	–	(250 000)	–	(150 000)	–	(400 000)	49 421 677
War Veterans	5 802	–	–	–	–	–	–	–	5 802
Disability	18 957 448	–	–	–	–	–	–	–	18 957 448
Foster Care	5 950 660	–	–	–	–	(100 000)	–	(100 000)	5 850 660
Care Dependency	2 259 346	–	–	–	–	–	–	–	2 259 346
Child Support	43 428 252	–	–	–	–	–	–	–	43 428 252
Grant-in-Aid	277 081	–	–	–	–	–	–	–	277 081
Social Relief	251 835	–	–	250 000	–	–	–	250 000	501 835
<b>Total</b>	<b>120 952 101</b>	–	–	–	–	<b>(250 000)</b>	–	<b>(250 000)</b>	<b>120 702 101</b>
<b>Economic classification</b>									
<b>Transfers and subsidies</b>	<b>120 952 101</b>	–	–	–	–	<b>(250 000)</b>	–	<b>(250 000)</b>	<b>120 702 101</b>
Households	120 952 101	–	–	–	–	(250 000)	–	(250 000)	120 702 101
<b>Total</b>	<b>120 952 101</b>	–	–	–	–	<b>(250 000)</b>	–	<b>(250 000)</b>	<b>120 702 101</b>

**Programme 3: Social Security Policy and Administration**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Social Security Policy Development	46 282	–	–	5 040	–	–	–	5 040	51 322
Appeals Adjudication	43 322	–	–	(300)	–	–	–	(300)	43 022
Social Grants Administration	6 492 173	–	–	(50 000)	–	–	–	(50 000)	6 442 173
Social Grants Fraud Investigations	75 416	–	–	–	–	–	–	–	75 416
Programme Management	5 403	–	–	(40)	–	–	–	(40)	5 363
<b>Total</b>	<b>6 662 596</b>	–	–	<b>(45 300)</b>	–	–	–	<b>(45 300)</b>	<b>6 617 296</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>92 391</b>	–	–	<b>3 112</b>	–	–	–	<b>3 112</b>	<b>95 503</b>
Compensation of employees	49 103	–	–	–	–	–	–	–	49 103
Goods and services	43 288	–	–	3 112	–	–	–	3 112	46 400
<b>Transfers and subsidies</b>	<b>6 568 889</b>	–	–	<b>(48 112)</b>	–	–	–	<b>(48 112)</b>	<b>6 520 777</b>
Departmental agencies and accounts	6 567 589	–	–	(50 000)	–	–	–	(50 000)	6 517 589
Higher education institutions	–	–	–	1 800	–	–	–	1 800	1 800
Foreign governments and international organisations	1 300	–	–	68	–	–	–	68	1 368
Non-profit institutions	–	–	–	20	–	–	–	20	20
<b>Payments for capital assets</b>	<b>1 316</b>	–	–	<b>(300)</b>	–	–	–	<b>(300)</b>	<b>1 016</b>
Machinery and equipment	1 316	–	–	(300)	–	–	–	(300)	1 016
<b>Total</b>	<b>6 662 596</b>	–	–	<b>(45 300)</b>	–	–	–	<b>(45 300)</b>	<b>6 617 296</b>

**Programme 4: Welfare Services Policy Development and Implementation Support**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Service Standards	23 473	-	-	5 800	-	-	-	5 800	29 273
Substance Abuse	62 713	-	-	-	-	-	-	-	62 713
Older Persons	13 663	-	-	9 500	-	-	-	9 500	23 163
People with Disabilities	10 425	-	-	-	18 365	-	-	18 365	28 790
Children	57 721	-	-	(100)	11 550	-	-	11 450	69 171
Families	8 137	-	-	(50)	-	-	-	(50)	8 087
Social Crime Prevention and Victim Empowerment	47 308	-	-	2 300	-	-	-	2 300	49 608
Youth	9 135	-	-	6 050	-	-	-	6 050	15 185
HIV and AIDS	79 433	-	-	(50)	-	-	-	(50)	79 383
Social Worker Scholarships	264 000	-	-	-	-	-	-	-	264 000
Programme Management	10 442	-	-	100	-	-	-	100	10 542
<b>Total</b>	<b>586 450</b>	<b>-</b>	<b>-</b>	<b>23 550</b>	<b>29 915</b>	<b>-</b>	<b>-</b>	<b>53 465</b>	<b>639 915</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>217 037</b>	<b>-</b>	<b>-</b>	<b>23 374</b>	<b>29 332</b>	<b>-</b>	<b>-</b>	<b>52 706</b>	<b>269 743</b>
Compensation of employees	90 653	-	-	-	15 078	-	-	15 078	105 731
Goods and services	126 384	-	-	23 374	14 254	-	-	37 628	164 012
<b>Transfers and subsidies</b>	<b>367 410</b>	<b>-</b>	<b>-</b>	<b>126</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126</b>	<b>367 536</b>
Provinces and municipalities	29 000	-	-	-	-	-	-	-	29 000
Departmental agencies and accounts	264 000	-	-	-	-	-	-	-	264 000
Foreign governments and international organisations	272	-	-	500	-	-	-	500	772
Non-profit institutions	74 138	-	-	(374)	-	-	-	(374)	73 764
<b>Payments for capital assets</b>	<b>2 003</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>583</b>	<b>-</b>	<b>-</b>	<b>633</b>	<b>2 636</b>
Buildings and other fixed structures	-	-	-	300	-	-	-	300	300
Machinery and equipment	2 003	-	-	(250)	583	-	-	333	2 336
<b>Total</b>	<b>586 450</b>	<b>-</b>	<b>-</b>	<b>23 550</b>	<b>29 915</b>	<b>-</b>	<b>-</b>	<b>53 465</b>	<b>639 915</b>

**Programme 5: Social Policy and Integrated Service Delivery**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Social Policy Research and Development	5 243	-	-	-	-	-	-	-	5 243
Special Projects and Innovation	8 375	-	-	1 040	-	-	-	1 040	9 415
Population Policy Promotion	27 898	-	-	200	-	-	-	200	28 098
Registration and Monitoring of Non-Profit Organisations	31 054	-	-	-	-	-	-	-	31 054
Substance Abuse Advisory Services and Oversight	6 369	-	-	-	-	-	-	-	6 369
Community Development	62 856	10 500	-	12 010	-	-	-	22 510	85 366
National Development Agency	178 337	-	-	-	-	-	-	-	178 337
Programme Management	3 034	-	-	-	-	-	-	-	3 034
<b>Total</b>	<b>323 166</b>	<b>10 500</b>	<b>-</b>	<b>13 250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23 750</b>	<b>346 916</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>97 517</b>	<b>-</b>	<b>-</b>	<b>14 844</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 844</b>	<b>112 361</b>
Compensation of employees	63 422	-	-	-	-	-	-	-	63 422
Goods and services	34 095	-	-	14 844	-	-	-	14 844	48 939

**Programme 5: Social Policy and Integrated Service Delivery (continued)**

R thousand	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
<b>Transfers and subsidies</b>	<b>224 911</b>	–	–	(1 844)	–	–	–	(1 844)	<b>223 067</b>
Departmental agencies and accounts	178 337	–	–	–	–	–	–	–	178 337
Higher education institutions	400	–	–	–	–	–	–	–	400
Foreign governments and international organisations	1 688	–	–	(169)	–	–	–	(169)	1 519
Non-profit institutions	3 486	–	–	(1 675)	–	–	–	(1 675)	1 811
Households	41 000	–	–	–	–	–	–	–	41 000
<b>Payments for capital assets</b>	<b>738</b>	<b>10 500</b>	–	<b>250</b>	–	–	–	<b>10 750</b>	<b>11 488</b>
Machinery and equipment	738	10 500	–	250	–	–	–	10 750	11 488
<b>Total</b>	<b>323 166</b>	<b>10 500</b>	–	<b>13 250</b>	–	–	–	<b>23 750</b>	<b>346 916</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Roll-overs – R10.5 million**

Programme 5: Social Policy and Integrated Service Delivery

R10.5 million has been rolled over to provide for the final phase of the setting up of provincial distribution centres and community nutrition development centres in all nine provinces for the implementation of the household food nutrition and security programme.

**Virements and shifts****Programmes**

1. Administration
2. Social Assistance
3. Social Security Policy and Administration
4. Welfare Services Policy Development and Implementation Support
5. Social Policy and Integrated Service Delivery

**FROM:**

Programme by economic classification	Motivation	R thousand	TO:	Motivation	R thousand
<b>Programme 3</b>		<b>(52 100)</b>	<b>Programme 3</b>		<b>1 800</b>
Goods and services	Reduced spending on consultants, who were used less	(1 800)	Higher education institutions	Training and technical support in various social security research and policy initiatives <sup>1</sup>	1 800
<b>Machinery and equipment</b>		<b>(50)</b>	<b>Programme 4</b>		<b>50</b>
	Unspent funds on office equipment in the appeals adjudication unit	(50)	Buildings and other fixed structures	Establishment of green door facilities, where victims of crime and violence can access basic emotional containment services	50
			<b>Programme 5</b>		<b>250</b>
	Unspent funds realised from office equipment in the appeals adjudication unit	(250)	Machinery and equipment	Computer equipment and office furniture to support the population policy promotion unit	250
<b>Departmental agencies and accounts</b>		<b>(1 900)</b>	<b>Programme 1</b>		<b>8 500</b>
	Reduced transfer payment to the South African Social Security Agency due to its accumulated surplus <sup>2</sup>	(1 900)	Compensation of employees	Remuneration of additional personnel in the new deputy-minister's office <sup>1</sup>	1 900
	Reduced transfer payment to the South African Social Security Agency due to its accumulated surplus <sup>2</sup>	(6 600)	Goods and services	Travel and accommodation for ministerial outreach programmes, security services and funding shortfalls in the supply chain	6 600



FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
			<b>Programme 3</b>		<b>5 000</b>
	Reduced transfer payment to the South African Social Security Agency due to its accumulated surplus <sup>2</sup>	(4 912)	Goods and services	Travel, venue hire, catering and advertising for the social security summit	4 912
	Reduced transfer payment to the South African Social Security Agency due to its accumulated surplus <sup>2</sup>	(68)	Foreign governments and international organisations	Increase in the exchange rate for the transfer payment to the International Social Security Association <sup>1</sup>	68
	Reduced transfer payment to the South African Social Security Agency due to its accumulated surplus <sup>2</sup>	(20)	Non-profit institutions	Donation to Somerset West school for participation in the African Union expert consultation meeting <sup>1</sup>	20
	Reduced transfer payment to the South African Social Security Agency due to its accumulated surplus <sup>2</sup>	(23 000)	<b>Programme 4</b>		<b>23 500</b>
	Reduced transfer payment to the South African Social Security Agency due to its accumulated surplus <sup>2</sup>	(23 000)	Goods and services	Travel, venue hire, advertising and catering for hosting of the Social Work Indaba, 16 Days of Activism for No Violence Against Women and Children, youth camps, and the Golden Games for older persons	23 000
	Reduced transfer payment to the South African Social Security Agency due to its accumulated surplus <sup>2</sup>	(500)	Foreign governments and international organisations	Walvis Bay agreement <sup>1</sup>	500
	Reduced transfer payment to the South African Social Security Agency due to its accumulated surplus <sup>2</sup>	(13 000)	<b>Programme 5</b>		<b>13 000</b>
			Goods and services	Travel, venue and catering for the Mikondzo project for service delivery monitoring at ward level	13 000
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.7%</b>			
<b>Programme 4</b>		<b>(624)</b>	<b>Programme 4</b>		<b>624</b>
Machinery and equipment	Unspent funds on office equipment	(250)	Buildings and other fixed structures	Establishment of green door facilities, where victims of crime and violence can access basic emotional containment services	250
Non-profit institutions	Reallocation of funds for transfers to the National Association of People Living with HIV and AIDS due to non-compliance <sup>2</sup>	(374)	Goods and services	Training of home and community based care organisations	374
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(2 106)</b>	<b>Programme 5</b>		<b>2 106</b>
Goods and services	Unspent funds due to fewer training sessions on population planning	(131)	Foreign governments and international organisations	Higher transfer payment to Partners in Population and Development due to the depreciation of the Rand <sup>1</sup>	131
Foreign governments and international organisations	Unspent funds due to the partnership with the Organisation for Economic Cooperation and Development coming to an end <sup>2</sup>	(300)	Goods and services	Travel, venues and catering for departmental community outreach programmes	300
Non-profit institutions	Reallocation of funds for transfers to the National Association of People Living with HIV and AIDS and the National Association of Burial Societies of South Africa due to non-compliance <sup>2</sup>	(1 675)	Goods and services	Travel, venues and catering for the training of community based organisations and for the community mobilisation programme	1 675
Shifts within the programme as a percentage of the programme budget		0.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(54 830)</b>			<b>54 830</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

### Funds shifted between votes following the transfer of a function – R33.766 million

In accordance with the national macro organisation of the state, funds for the following functions have been transferred from the former Department of Women, Children and People with Disabilities:

Programme 1: Administration – R3.851 million

R3.851 million has been transferred from the former Department of Women, Children and People with Disabilities to fund personnel and operational costs related to the additional core functions being transferred.

Programme 4: Welfare Services Policy Development and Implementation Support – R29.915 million

The Children's Rights and Responsibilities and Rights of People with Disabilities programmes have been shifted from the former Department of Women, Children and People with Disabilities to the Department of Social Development. R11.550 million has been shifted to the Children subprogramme and R18.365 million has been shifted to the People with Disabilities subprogramme.

### Declared unspent funds – R250 million

Programme 2: Social Assistance

Savings of R250 million on social grants have been declared due to a slower than anticipated increase in the number of newly eligible old age grant beneficiaries as a result of the means test adjustment.

### Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
Administration	270 443	135 907	50.3	265 226	98.1	287 416	0.2	150 215	52.3	
Social Assistance	111 006 841	56 535 637	50.9	109 596 591	98.7	120 702 101	93.9	59 324 136	49.1	
Social Security	6 394 015	3 179 637	49.7	6 376 560	99.7	6 617 296	5.1	3 315 048	50.1	
Policy and Administration										
Welfare Services	577 653	275 627	47.7	566 392	98.1	639 915	0.5	287 221	44.9	
Policy Development and Implementation Support										
Social Policy and Integrated Service Delivery	289 731	143 930	49.7	304 482	105.1	346 916	0.3	229 041	66.0	
<b>Total</b>	<b>118 538 683</b>	<b>60 270 738</b>	<b>50.8</b>	<b>117 109 251</b>	<b>98.8</b>	<b>128 593 644</b>	<b>100.0</b>	<b>63 305 661</b>	<b>49.2</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>684 983</b>	<b>314 165</b>	<b>45.9</b>	<b>679 513</b>	<b>99.2</b>	<b>762 352</b>	<b>0.6</b>	<b>334 848</b>	<b>43.9</b>	
Compensation of employees	345 475	163 101	47.2	337 813	97.8	376 108	0.3	183 825	48.9	
Goods and services	339 508	151 064	44.5	341 700	100.6	386 244	0.3	151 023	39.1	
<b>Transfers and subsidies</b>	<b>117 846 780</b>	<b>59 953 677</b>	<b>50.9</b>	<b>116 413 348</b>	<b>98.8</b>	<b>127 813 481</b>	<b>99.4</b>	<b>62 969 643</b>	<b>49.3</b>	
Departmental agencies and accounts	6 732 761	3 386 074	50.3	6 732 761	100.0	6 959 926	5.4	3 614 945	51.9	
Higher education institutions	–	–	0.0	–	0.0	2 200	0.0	1 800	81.8	
Foreign governments and international organisations	2 881	2 654	92.1	2 897	100.6	3 659	0.0	81	2.2	
Non-profit institutions	73 297	29 143	39.8	89 884	122.6	75 595	0.1	26 918	35.6	
Households	111 037 841	56 535 806	50.9	109 587 806	98.7	120 743 101	93.9	59 325 899	49.1	

R thousand	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
<b>Payments for capital assets</b>	6 920	2 896	41.8	6 726	97.2	17 811	0.0	1 170	6.6
Machinery and equipment	6 515	2 515	38.6	5 235	80.4	17 056	0.0	1 160	6.8
Software and other intangible assets	405	381	94.1	1 491	368.1	455	0.0	10	2.2
<b>Payments for financial assets</b>	–	–	0.0	9 664	0.0	–	0.0	–	0.0
<b>Total</b>	<b>118 538 683</b>	<b>60 270 738</b>	<b>50.8</b>	<b>117 109 251</b>	<b>98.8</b>	<b>128 593 644</b>	<b>100.0</b>	<b>63 305 661</b>	<b>49.2</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 98.8 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R63.306 billion, or 49.2 per cent of the adjusted appropriation of R128.594 billion for the year. In comparison, mid-year expenditure in 2013/14 was R60.271 billion, or 50.8 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R3.035 billion, or 5.0 per cent. This was mainly due to increases in the value of social grants to keep them in line with inflation, as well as additional social grant beneficiaries.

### Departmental receipts

R thousand	2013/14 Audited outcome					2014/15 Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>7 964</b>	<b>540</b>	<b>6.8</b>	<b>88 996</b>	<b>1 117.5</b>	<b>17 991</b>	<b>18 000</b>	<b>100.0</b>	<b>363</b>	<b>2.0</b>
Sales of goods and services produced by department	233	119	51.1	2	0.9	225	234	1.3	128	54.7
Sales of scrap, waste, arms and other used current goods	4	–	0.0	–	0.0	5	5	0.0	1	20.0
Interest, dividends and rent on land	2 647	115	4.3	9 415	355.7	2 649	2 649	14.7	20	0.8
Sales of capital assets	–	–	0.0	192	0.0	–	–	0.0	–	0.0
Transactions in financial assets and liabilities	5 080	306	6.0	79 387	1 562.7	15 112	15 112	84.0	214	1.4
<b>Total</b>	<b>7 964</b>	<b>540</b>	<b>6.8</b>	<b>88 996</b>	<b>1 117.5</b>	<b>17 991</b>	<b>18 000</b>	<b>100.0</b>	<b>363</b>	<b>2.0</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R363 000, or 2 per cent of the adjusted revenue estimate of R18 million for the year. In comparison, mid-year revenue in 2013/14 was R540 000, or 6.8 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R177 000, or 32.8 per cent. This was mainly due to a reduction in interest earned from social grant payments to the payment contractor and fewer funds recovered from grant debtors. The department and the South African Social Security Agency are increasing their efforts to recover social grant debt through a focused debt recovery programme as well as reviewing their processes to ensure that all interest accrued on social grants is collected.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Social Assistance</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>56 024 172</b>	-	-	-	<b>(250 000)</b>	-	<b>(250 000)</b>	<b>55 774 172</b>
Old age	49 821 677	-	-	(250 000)	(150 000)	-	(400 000)	49 421 677
Foster care	5 950 660	-	-	-	(100 000)	-	(100 000)	5 850 660
Social relief	251 835	-	-	250 000	-	-	250 000	501 835
<b>Social Security Policy and Administration</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>6 567 589</b>	-	-	<b>(50 000)</b>	-	-	<b>(50 000)</b>	<b>6 517 589</b>
South African Social Security Agency	6 567 589	-	-	(50 000)	-	-	(50 000)	6 517 589
<b>Higher education institutions</b>								
<b>Current</b>	-	-	-	<b>1 800</b>	-	-	<b>1 800</b>	<b>1 800</b>
University of Witwatersrand: Research	-	-	-	1 800	-	-	1 800	1 800
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>1 250</b>	-	-	<b>68</b>	-	-	<b>68</b>	<b>1 318</b>
International Social Security Association	1 250	-	-	68	-	-	68	1 318
<b>Non-profit institutions</b>								
<b>Current</b>	-	-	-	<b>20</b>	-	-	<b>20</b>	<b>20</b>
Gifts and donations	-	-	-	20	-	-	20	20
<b>Welfare Services Policy</b>								
<b>Development and Implementation Support</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	-	-	-	<b>500</b>	-	-	<b>500</b>	<b>500</b>
Walvis Bay	-	-	-	500	-	-	500	500
<b>Non-profit institutions</b>								
<b>Current</b>	<b>374</b>	-	-	<b>(374)</b>	-	-	<b>(374)</b>	-
National Association of People Living with HIV and AIDS	374	-	-	(374)	-	-	(374)	-
<b>Social Policy and Integrated Service Delivery</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>840</b>	-	-	<b>(169)</b>	-	-	<b>(169)</b>	<b>671</b>
Organisation for Economic Corporation and Development	300	-	-	(300)	-	-	(300)	-
Partners in Population and Development	540	-	-	131	-	-	131	671
<b>Non-profit institutions</b>								
<b>Current</b>	<b>1 675</b>	-	-	<b>(1 675)</b>	-	-	<b>(1 675)</b>	-
National Association of Burial Societies of South Africa	1 113	-	-	(1 113)	-	-	(1 113)	-
National Association of People Living with HIV and AIDS	562	-	-	(562)	-	-	(562)	-

# Vote 20

## Sport and Recreation South Africa

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>970 404</b>	<b>970 404</b>	-	-
<b>of which:</b>				
Current payments	269 465	269 465	-	-
Transfers and subsidies	698 772	698 772	-	-
Payments for capital assets	2 167	2 167	-	-
Executive authority	Minister of Sport and Recreation South Africa			
Accounting officer	Director-General of Sport and Recreation South Africa			
Website address	www.srsa.gov.za			

### Aim

*Transform the delivery of sport and recreation by ensuring equitable access, development and excellence at all levels of participation, thereby improving social cohesion, nation building and the quality of life of all South Africans.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of national school sport championships supported per year	Active Nation	Outcome 12: An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship	1	0	-
Number of major international events receiving intra-governmental support per year	Winning Nation		4	5	-
Number of sport and recreation bodies receiving financial support per year	Sport Support		60	2	-

### Mid-year progress

Preparations to host the national school sport championships in December 2014 have begun and are proceeding as planned.

In the six months to September 2014, intra-governmental support was provided for 5 major international sport events: the International Triathlon Union World Triathlon Series, the Indo Pacific Championships in Gymnastics, the Compak Sporting Clay Shooting World Championships, the fourth International Karate Organisation Matsushima Karate World Cup, and the World Youth Chess Championships 2014. The department has thus exceeded the target for the year.

Only 2 sport federations out of a targeted 60 have provided audited financial statements and business plans outlining how allocated funds will be used. These documents are required before the department transfers the allocated financial support to the federations. The department is currently assessing proposals and required documents from 6 federations and expects to make these transfers by the end of the third quarter of 2014/15. The department is assisting the remaining federations to submit the documents in the required format to ensure that they receive the allocated financial support by the end of 2014/15. As federations comply with these criteria, they will receive transfers due to them.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	131 317	-	-	(14 577)	-	-	-	(14 577)	116 740
Active Nation	615 197	-	-	4 890	-	-	-	4 890	620 087
Winning Nation	91 322	-	-	(13 200)	-	-	-	(13 200)	78 122
Sport Support	122 167	-	-	22 887	-	-	-	22 887	145 054
Infrastructure Support	10 401	-	-	-	-	-	-	-	10 401
<b>Total</b>	<b>970 404</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>970 404</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>269 465</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>269 465</b>
Compensation of employees	103 022	-	-	(14 790)	-	-	-	(14 790)	88 232
Goods and services	166 443	-	-	14 790	-	-	-	14 790	181 233
<b>Transfers and subsidies</b>	<b>698 772</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>698 772</b>
Provinces and municipalities	525 632	-	-	-	-	-	-	-	525 632
Departmental agencies and accounts	26 525	-	-	-	-	-	-	-	26 525
Non-profit institutions	146 615	-	-	-	-	-	-	-	146 615
<b>Payments for capital assets</b>	<b>2 167</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 167</b>
Machinery and equipment	2 167	-	-	-	-	-	-	-	2 167
<b>Total</b>	<b>970 404</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>970 404</b>

## Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	20 382	-	-	1 000	-	-	-	1 000	21 382
Management	18 593	-	-	-	-	-	-	-	18 593
Strategic Support	6 609	-	-	(300)	-	-	-	(300)	6 309
Corporate Services	44 184	-	-	400	-	-	-	400	44 584
Office of the Chief Financial Officer	19 876	-	-	(5 677)	-	-	-	(5 677)	14 199
Office Accommodation	21 673	-	-	(10 000)	-	-	-	(10 000)	11 673
<b>Total</b>	<b>131 317</b>	<b>-</b>	<b>-</b>	<b>(14 577)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14 577)</b>	<b>116 740</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>129 074</b>	<b>-</b>	<b>-</b>	<b>(14 577)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14 577)</b>	<b>114 497</b>
Compensation of employees	70 099	-	-	(5 677)	-	-	-	(5 677)	64 422
Goods and services	58 975	-	-	(8 900)	-	-	-	(8 900)	50 075
<b>Transfers and subsidies</b>	<b>76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76</b>
Departmental agencies and accounts	76	-	-	-	-	-	-	-	76
<b>Payments for capital assets</b>	<b>2 167</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 167</b>
Machinery and equipment	2 167	-	-	-	-	-	-	-	2 167
<b>Total</b>	<b>131 317</b>	<b>-</b>	<b>-</b>	<b>(14 577)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14 577)</b>	<b>116 740</b>

## Programme 2: Active Nation

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management:	2 572	-	-	(900)	-	-	-	(900)	1 672
Active Nation									
Active Recreation	1 000	-	-	-	-	-	-	-	1 000
Community Sport	53 834	-	-	9 290	-	-	-	9 290	63 124
School Sport	32 159	-	-	(3 500)	-	-	-	(3 500)	28 659
Provincial Sport Support and Coordination	525 632	-	-	-	-	-	-	-	525 632
<b>Total</b>	<b>615 197</b>	<b>-</b>	<b>-</b>	<b>4 890</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 890</b>	<b>620 087</b>

**Programme 2: Active Nation (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>54 232</b>	-	-	<b>4 890</b>	-	-	-	<b>4 890</b>	<b>59 122</b>
Compensation of employees	16 266	-	-	(9 900)	-	-	-	(9 900)	6 366
Goods and services	37 966	-	-	14 790	-	-	-	14 790	52 756
<b>Transfers and subsidies</b>	<b>560 965</b>	-	-	-	-	-	-	-	<b>560 965</b>
Provinces and municipalities	525 632	-	-	-	-	-	-	-	525 632
Non-profit institutions	35 333	-	-	-	-	-	-	-	35 333
<b>Total</b>	<b>615 197</b>	-	-	<b>4 890</b>	-	-	-	<b>4 890</b>	<b>620 087</b>

**Programme 3: Winning Nation**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: Winning Nation	2 000	-	-	-	-	-	-	-	2 000
Scientific Support	60 182	-	-	(16 200)	-	-	-	(16 200)	43 982
Major Events Support	10 340	-	-	2 000	-	-	-	2 000	12 340
Recognition Systems	18 800	-	-	1 000	-	-	-	1 000	19 800
<b>Total</b>	<b>91 322</b>	-	-	<b>(13 200)</b>	-	-	-	<b>(13 200)</b>	<b>78 122</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>64 391</b>	-	-	<b>(13 200)</b>	-	-	-	<b>(13 200)</b>	<b>51 191</b>
Compensation of employees	8 786	-	-	(6 200)	-	-	-	(6 200)	2 586
Goods and services	55 605	-	-	(7 000)	-	-	-	(7 000)	48 605
<b>Transfers and subsidies</b>	<b>26 931</b>	-	-	-	-	-	-	-	<b>26 931</b>
Departmental agencies and accounts	18 504	-	-	-	-	-	-	-	18 504
Non-profit institutions	8 427	-	-	-	-	-	-	-	8 427
<b>Total</b>	<b>91 322</b>	-	-	<b>(13 200)</b>	-	-	-	<b>(13 200)</b>	<b>78 122</b>

**Programme 4: Sport Support**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: Sport Support	1 911	-	-	2 146	-	-	-	2 146	4 057
International Liaison	2 391	-	-	6 450	-	-	-	6 450	8 841
Sport and Recreation Service Providers	117 865	-	-	14 291	-	-	-	14 291	132 156
<b>Total</b>	<b>122 167</b>	-	-	<b>22 887</b>	-	-	-	<b>22 887</b>	<b>145 054</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>11 367</b>	-	-	<b>22 887</b>	-	-	-	<b>22 887</b>	<b>34 254</b>
Compensation of employees	4 186	-	-	6 987	-	-	-	6 987	11 173
Goods and services	7 181	-	-	15 900	-	-	-	15 900	23 081
<b>Transfers and subsidies</b>	<b>110 800</b>	-	-	-	-	-	-	-	<b>110 800</b>
Departmental agencies and accounts	7 945	-	-	-	-	-	-	-	7 945
Non-profit institutions	102 855	-	-	-	-	-	-	-	102 855
<b>Total</b>	<b>122 167</b>	-	-	<b>22 887</b>	-	-	-	<b>22 887</b>	<b>145 054</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

<b>Programmes</b>					
1. Administration					
2. Active Nation					
3. Winning Nation					
4. Sport Support					
5. Infrastructure Support					
6. 2010 FIFA World Cup Unit					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(14 577)</b>	<b>Programme 4</b>		<b>8 900</b>
Goods and services	Cost containment measures effected on office accommodation <sup>1</sup>	(8 900)	Goods and services	Hosting of the Netball Premier League, the Basketball National League and the Karate World Cup	8 900
Compensation of employees	Vacant posts <sup>1</sup>	(5 677)	<b>Programme 2</b>		<b>5 677</b>
			Goods and services	Higher than expected costs related to Nelson Mandela Day, and the Indigenous Games and Youth Camp events	5 677
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget<sup>1</sup></b>		<b>11.1%</b>			
<b>Programme 2</b>		<b>(9 900)</b>	<b>Programme 2</b>		<b>6 113</b>
Compensation of employees	Vacant posts	(6 113)	Goods and services	Higher than expected costs related to Nelson Mandela Day, and the Indigenous Games and Youth Camp events	6 113
	Reclassification of funds incorrectly classified in the 2014 ENE	(3 787)	<b>Programme 4</b>		<b>3 787</b>
			Compensation of employees	Reclassification of funds incorrectly classified in the 2014 ENE	3 787
Shifts within the programme as a percentage of the programme budget		1.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.6%</b>			
<b>Programme 3</b>		<b>(13 200)</b>	<b>Programme 4</b>		<b>7 000</b>
Goods and services	Unspent funds reallocated from contractors due to the withdrawal of athletes (students) from the residential and school programme and the expiry of some athletes' contracts <sup>1</sup>	(7 000)	Goods and services	Hosting of the Netball Premier League, the Basketball National League and the Karate World Cup and for higher than expected subscription fees to the Supreme Council for Sports in Africa Zone VI Games	7 000
Compensation of employees	Vacant posts <sup>1</sup>	(3 000)	<b>Programme 2</b>		<b>3 000</b>
	Reclassification of funds incorrectly classified in the 2014 ENE <sup>1</sup>	(3 200)	Goods and services	Increased support for the national school championships	3 000
			<b>Programme 4</b>		<b>3 200</b>
			Compensation of employees	Reclassification of funds incorrectly classified in the 2014 ENE	3 200
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget<sup>1</sup></b>		<b>14.5%</b>			
<b>Total</b>		<b>(37 677)</b>			<b>37 677</b>

1. Only the legislature may approve this virement in terms of the Public Finance Management Act (Act 1 of 1999).



**Expenditure outcome for 2013/14 and actual expenditure for 2014/15**

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	adjusted appropriation % of	Apr 13 - Mar 14	adjusted appropriation % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted appropriation % of	
R thousand										
Administration	124 878	62 953	50.4	114 568	91.7	116 740	12.0	48 602	41.6	
Active Nation	592 330	79 189	13.4	607 164	102.5	620 087	63.9	296 794	47.9	
Winning Nation	228 783	318 497	139.2	208 197	91.0	78 122	8.1	33 857	43.3	
Sport Support	118 195	5 315	4.5	138 520	117.2	145 054	14.9	31 684	21.8	
Infrastructure Support	9 299	1 912	20.6	4 580	49.3	10 401	1.1	1 462	14.1	
<b>Total</b>	<b>1 073 485</b>	<b>467 866</b>	<b>43.6</b>	<b>1 073 029</b>	<b>100.0</b>	<b>970 404</b>	<b>100.0</b>	<b>412 399</b>	<b>42.5</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>258 419</b>	<b>125 213</b>	<b>48.5</b>	<b>258 248</b>	<b>99.9</b>	<b>269 465</b>	<b>27.8</b>	<b>108 701</b>	<b>40.3</b>	
Compensation of employees	85 900	38 758	45.1	76 572	89.1	88 232	9.1	40 645	46.1	
Goods and services	172 519	86 455	50.1	181 676	105.3	181 233	18.7	68 056	37.6	
<b>Transfers and subsidies</b>	<b>812 895</b>	<b>342 396</b>	<b>42.1</b>	<b>813 618</b>	<b>100.1</b>	<b>698 772</b>	<b>72.0</b>	<b>302 904</b>	<b>43.3</b>	
Provinces and municipalities	617 591	276 997	44.9	617 591	100.0	525 632	54.2	260 524	49.6	
Departmental agencies and accounts	20 648	17 325	83.9	21 118	102.3	26 525	2.7	22 495	84.8	
Non-profit institutions	174 656	47 846	27.4	174 656	100.0	146 615	15.1	19 667	13.4	
Households	-	228	0.0	253	0.0	-	0.0	218	0.0	
<b>Payments for capital assets</b>	<b>2 171</b>	<b>257</b>	<b>11.8</b>	<b>1 152</b>	<b>53.1</b>	<b>2 167</b>	<b>0.2</b>	<b>788</b>	<b>36.4</b>	
Machinery and equipment	2 171	257	11.8	1 030	47.4	2 167	0.2	752	34.7	
Software and other intangible assets	-	-	0.0	122	0.0	-	0.0	36	0.0	
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>11</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>6</b>	<b>0.0</b>	
<b>Total</b>	<b>1 073 485</b>	<b>467 866</b>	<b>43.6</b>	<b>1 073 029</b>	<b>100.0</b>	<b>970 404</b>	<b>100.0</b>	<b>412 399</b>	<b>42.5</b>	

**Expenditure trends for the first half of 2014/15**

Total expenditure in 2013/14 was 100 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R412.399 million, or 42.5 per cent of the adjusted appropriation of R970.404 million for the year. In comparison, mid-year expenditure in 2013/14 was R467.866 million, or 43.6 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R55.467 million, or 11.9 per cent. This was mainly due to the decrease in transfers to non-profit institutions as a result of the federations failing to submit their business plans and annual financial statements on time. Expenditure on this item is expected to increase as the department expects to make these transfers by the end of the third quarter.

**Departmental receipts**

	2013/14 Audited outcome					2014/15 Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	adjusted estimate % of	Apr 13 - Mar 14	adjusted estimate % of	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	adjusted estimate % of
R thousand										
<b>Departmental receipts</b>	<b>224</b>	<b>35</b>	<b>15.6</b>	<b>210</b>	<b>93.8</b>	<b>331</b>	<b>331</b>	<b>100.0</b>	<b>44</b>	<b>13.3</b>
Sales of goods and services produced by department	64	17	26.6	52	81.3	64	64	19.4	26	40.6
Interest, dividends and rent on land	6	2	33.3	2	33.3	6	6	1.8	-	-
Sales of capital assets	-	-	0.0	-	0.0	61	61	18.4	-	-
Transactions in financial assets and liabilities	154	16	10.4	156	101.3	200	200	60.4	18	9.0
<b>Total</b>	<b>224</b>	<b>35</b>	<b>15.6</b>	<b>210</b>	<b>93.8</b>	<b>331</b>	<b>331</b>	<b>100.0</b>	<b>44</b>	<b>13.3</b>

**Revenue trends for the first half of 2014/15**

Revenue in the first six months of 2014/15 was R44 000, or 13.3 per cent of the adjusted revenue estimate of R331 000 for the year. In comparison, mid-year revenue in 2013/14 was R35 000, or 15.6 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R9 000, or 25.7 per cent. This was mainly due to income received from the sale of tender documents.

## Correctional Services

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated of which:</b>	<b>19 721 111</b>	<b>19 721 839</b>	-	728
Current payments	18 585 495	18 583 861	(1 634)	-
Transfers and subsidies	81 832	82 620	-	788
Payments for capital assets	1 053 784	1 055 358	-	1 574
Executive authority	Minister of Justice and Correctional Services			
Accounting officer	National Commissioner of Correctional Services			
Website address	www.dcs.gov.za			

### Aim

*Contribute to a just, peaceful and safer South Africa through the effective and humane incarceration of inmates and the rehabilitation and social reintegration of offenders.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Percentage of inmates who escape from correctional centres and remand detention facilities per year	Incarceration	Outcome 3: All people in South Africa are and feel safe	0.026% (40/154 278)	0.011% (17/154 278)	-
Percentage of inmates allegedly assaulted in correctional centres and remand detention facilities per year	Incarceration		4.1% (6 325/154 278)	2.1% (3 171/154 278)	-
Percentage of overcrowding in correctional centres and remand detention facilities per year in excess of official capacity	Incarceration		29% (35144 /119164)	31% (36 935/119 134)	-
Percentage of offenders who participate in educational programmes measured against the enrolment register for the academic year	Rehabilitation		80% (10 505/13 131)	95.1% <sup>1</sup> (12 482/13 131)	-
Percentage of offenders who participate in skills development programmes measured against the list of offenders registered for participation (enrolment register)	Rehabilitation		80% (6 863/8 581)	82% <sup>1</sup> (7 107/8 653)	-
Percentage of inmates on antiretroviral therapy (cumulative)	Care		95% (19 158/20 166)	98% <sup>1</sup> (15 758/16 141)	-
Percentage of parolees without violations per year	Social Reintegration		80.9% (44 247/54 694)	98.2% <sup>1</sup> (49 756/50 680)	-

1. Information provided is for the five months to August 2014, as information for September 2014 was not available at the time of publication.

### Mid-year progress

The department managed to keep the percentage of escapes and alleged inmate assaults lower than the annual projections. Security awareness sessions and management involvement to improve adherence to basic security procedures contributed to these achievements.

Under-achievement regarding the percentage of overcrowding was due to a higher number of inmates than anticipated. There will thus be intensified efforts to enhance the implementation of the multi-pronged strategy to manage overcrowding. The strategy involves using diversion and parole to better manage the

offender population; creating additional bed spaces, as well as upgrading and renovating correctional facilities; using a case management approach for remand detainees in collaboration with cluster departments; strengthening community corrections to assist offenders in their integration and promoting it for less serious crimes; encouraging dialogue on alternatives to incarceration; and improving corrections and development programmes to enhance rehabilitation.

In the five months to 31 August 2014, the department had exceeded its yearly targets for enrolled offenders participating in education and skills training programmes, inmates on antiretroviral therapy, and parolees without violations. The higher than projected performance in the number of offenders participating in education and skills training programmes is due to improved marketing of programmes, while the increased performance concerning antiretroviral therapy is due to focused awareness campaigns that contributed to improved programmes and services in putting qualifying inmates on treatment. The higher than projected increase in the number of parolees without violations was due to the implementation and training of officials on a new supervision procedure manual, which enhanced the administration and supervision of offenders placed under parole supervision.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	3 622 855	-	-	891	-	-	-	891	3 623 746
Incarceration	12 299 037	-	-	-	-	-	728	728	12 299 765
Rehabilitation	1 165 763	-	-	529	-	-	-	529	1 166 292
Care	1 747 226	-	-	(1 449)	-	-	-	(1 449)	1 745 777
Social Reintegration	886 230	-	-	29	-	-	-	29	886 259
<b>Total</b>	<b>19 721 111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>728</b>	<b>728</b>	<b>19 721 839</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>18 585 495</b>	<b>-</b>	<b>-</b>	<b>(1 634)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 634)</b>	<b>18 583 861</b>
Compensation of employees	13 315 604	-	-	-	-	-	-	-	13 315 604
Goods and services	5 269 891	-	-	(1 634)	-	-	-	(1 634)	5 268 257
<b>Transfers and subsidies</b>	<b>81 832</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>728</b>	<b>788</b>	<b>82 620</b>
Provinces and municipalities	6 427	-	-	60	-	-	-	60	6 487
Departmental agencies and accounts	8 910	-	-	-	-	-	-	-	8 910
Households	66 495	-	-	-	-	-	728	728	67 223
<b>Payments for capital assets</b>	<b>1 053 784</b>	<b>-</b>	<b>-</b>	<b>1 574</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 574</b>	<b>1 055 358</b>
Buildings and other fixed structures	800 737	-	-	-	-	-	-	-	800 737
Machinery and equipment	251 441	-	-	1 574	-	-	-	1 574	253 015
Biological assets	1 606	-	-	-	-	-	-	-	1 606
<b>Total</b>	<b>19 721 111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>728</b>	<b>728</b>	<b>19 721 839</b>

### Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	30 940	-	-	-	-	-	-	-	30 940
Management	1 024 926	-	-	763	-	-	-	763	1 025 689
Corporate Services	1 476 569	-	-	(234)	-	-	-	(234)	1 476 335
Finance	939 552	-	-	362	-	-	-	362	939 914
Internal Audit	95 115	-	-	-	-	-	-	-	95 115
Office Accommodation	55 753	-	-	-	-	-	-	-	55 753
<b>Total</b>	<b>3 622 855</b>	<b>-</b>	<b>-</b>	<b>891</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>891</b>	<b>3 623 746</b>

**Programme 1: Administration (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>3 435 454</b>	-	-	111	-	-	-	111	<b>3 435 565</b>
Compensation of employees	2 613 154	-	-	-	-	-	-	-	2 613 154
Goods and services	822 300	-	-	111	-	-	-	111	822 411
<b>Transfers and subsidies</b>	<b>17 039</b>	-	-	60	-	-	-	60	<b>17 099</b>
Provinces and municipalities	6 427	-	-	60	-	-	-	60	6 487
Departmental agencies and accounts	8 910	-	-	-	-	-	-	-	8 910
Households	1 702	-	-	-	-	-	-	-	1 702
<b>Payments for capital assets</b>	<b>170 362</b>	-	-	720	-	-	-	720	<b>171 082</b>
Machinery and equipment	170 362	-	-	720	-	-	-	720	171 082
<b>Total</b>	<b>3 622 855</b>	-	-	891	-	-	-	891	<b>3 623 746</b>

**Programme 2: Incarceration**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Security Operations	6 230 783	-	-	-	-	-	-	-	6 230 783
Facilities	3 676 234	-	-	1 430	-	-	-	1 430	3 677 664
Remand Detention	741 141	-	-	-	-	-	-	-	741 141
Offender Management	1 650 879	-	-	(1 430)	-	-	728	(702)	1 650 177
<b>Total</b>	<b>12 299 037</b>	-	-	-	-	-	728	728	<b>12 299 765</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>11 404 213</b>	-	-	(121)	-	-	-	(121)	<b>11 404 092</b>
Compensation of employees	8 465 592	-	-	-	-	-	-	-	8 465 592
Goods and services	2 938 621	-	-	(121)	-	-	-	(121)	2 938 500
<b>Transfers and subsidies</b>	<b>64 111</b>	-	-	-	-	-	728	728	<b>64 839</b>
Households	64 111	-	-	-	-	-	728	728	64 839
<b>Payments for capital assets</b>	<b>830 713</b>	-	-	121	-	-	-	121	<b>830 834</b>
Buildings and other fixed structures	800 626	-	-	-	-	-	-	-	800 626
Machinery and equipment	28 887	-	-	121	-	-	-	121	29 008
Biological assets	1 200	-	-	-	-	-	-	-	1 200
<b>Total</b>	<b>12 299 037</b>	-	-	-	-	-	728	728	<b>12 299 765</b>

**Programme 3: Rehabilitation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Correctional Programmes	57 929	-	-	(171)	-	-	-	(171)	57 758
Offender Development	739 355	-	-	(85)	-	-	-	(85)	739 270
Psychological, Social and Spiritual Services	368 479	-	-	785	-	-	-	785	369 264
<b>Total</b>	<b>1 165 763</b>	-	-	529	-	-	-	529	<b>1 166 292</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 121 274</b>	-	-	(286)	-	-	-	(286)	<b>1 120 988</b>
Compensation of employees	829 294	-	-	-	-	-	-	-	829 294
Goods and services	291 980	-	-	(286)	-	-	-	(286)	291 694
<b>Transfers and subsidies</b>	<b>53</b>	-	-	-	-	-	-	-	<b>53</b>
Households	53	-	-	-	-	-	-	-	53

**Programme 3: Rehabilitation (continued)**

Economic Classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Payments for capital assets</b>	<b>44 436</b>	-	-	815	-	-	-	815	45 251
Buildings and other fixed structures	111	-	-	-	-	-	-	-	111
Machinery and equipment	43 919	-	-	815	-	-	-	815	44 734
Biological assets	406	-	-	-	-	-	-	-	406
<b>Total</b>	<b>1 165 763</b>	-	-	<b>529</b>	-	-	-	<b>529</b>	<b>1 166 292</b>

**Programme 4: Care**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Nutritional Services	923 163	-	-	818	-	-	-	818	923 981
Health Services	693 978	-	-	(2 267)	-	-	-	(2 267)	691 711
Hygienic Services	130 085	-	-	-	-	-	-	-	130 085
<b>Total</b>	<b>1 747 226</b>	-	-	<b>(1 449)</b>	-	-	-	<b>(1 449)</b>	<b>1 745 777</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 739 727</b>	-	-	<b>(1 307)</b>	-	-	-	<b>(1 307)</b>	<b>1 738 420</b>
Compensation of employees	657 692	-	-	-	-	-	-	-	657 692
Goods and services	1 082 035	-	-	(1 307)	-	-	-	(1 307)	1 080 728
<b>Transfers and subsidies</b>	<b>535</b>	-	-	-	-	-	-	-	<b>535</b>
Households	535	-	-	-	-	-	-	-	535
<b>Payments for capital assets</b>	<b>6 964</b>	-	-	<b>(142)</b>	-	-	-	<b>(142)</b>	<b>6 822</b>
Machinery and equipment	6 964	-	-	(142)	-	-	-	(142)	6 822
<b>Total</b>	<b>1 747 226</b>	-	-	<b>(1 449)</b>	-	-	-	<b>(1 449)</b>	<b>1 745 777</b>

**Programme 5: Social Reintegration**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Parole Administration	110 513	-	-	630	-	-	-	630	111 143
Supervision	692 218	-	-	1 099	-	-	-	1 099	693 317
Community Reintegration	41 459	-	-	(1 700)	-	-	-	(1 700)	39 759
Office Accommodation:	42 040	-	-	-	-	-	-	-	42 040
Community Corrections									
<b>Total</b>	<b>886 230</b>	-	-	<b>29</b>	-	-	-	<b>29</b>	<b>886 259</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>884 827</b>	-	-	<b>(31)</b>	-	-	-	<b>(31)</b>	<b>884 796</b>
Compensation of employees	749 872	-	-	-	-	-	-	-	749 872
Goods and services	134 955	-	-	(31)	-	-	-	(31)	134 924
<b>Transfers and subsidies</b>	<b>94</b>	-	-	-	-	-	-	-	<b>94</b>
Households	94	-	-	-	-	-	-	-	94
<b>Payments for capital assets</b>	<b>1 309</b>	-	-	<b>60</b>	-	-	-	<b>60</b>	<b>1 369</b>
Machinery and equipment	1 309	-	-	60	-	-	-	60	1 369
<b>Total</b>	<b>886 230</b>	-	-	<b>29</b>	-	-	-	<b>29</b>	<b>886 259</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programmes</b>					
1. Administration					
2. Incarceration					
3. Rehabilitation					
4. Care					
5. Social Reintegration					
<b>Programme 1</b>			<b>Programme 1</b>		
Goods and services	Reduced spending on fleet services as fewer vehicles broke down than anticipated	(60)	Provinces and municipalities	Vehicle licences	60
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>			<b>Programme 2</b>		
Goods and services	Reduced spending on contractors as costs for maintenance and repair services were lower than anticipated	(121)	Machinery and equipment	Metal detectors for the regional offices in Limpopo, Mpumalanga and North-West	121
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>			<b>Programme 3</b>		
Goods and services	Reduced spending on consultants and professional services due to delays in procurement processes to find external suppliers to provide training to offenders	(286)	Machinery and equipment	Computers and workshop machinery	286
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>			<b>Programme 1</b>		
Goods and services	Reduced spending on fleet services as senior managers travelled less than anticipated	(171)	Goods and services	Travel allowances for senior managers	171
	Reduced spending on fleet services as senior managers travelled less than anticipated	(720)	Machinery and equipment	Filing cabinets and the replacement of vehicles	720
	Reduced spending on fleet services as senior managers travelled less than anticipated	(387)	<b>Programme 3</b>		<b>387</b>
	Reduced spending on fleet services as senior managers travelled less than anticipated	(29)	Machinery and equipment	Office furniture and the replacement of fences for animals	387
	Reduced spending on fleet services as senior managers travelled less than anticipated	(142)	<b>Programme 5</b>		<b>29</b>
Machinery and equipment	Reduced spending on machinery and equipment such as computers and printers, due to delays in procurement processes and the fact that many users did not order capital equipment before the internal cut-off date	(142)	Machinery and equipment	Computers for newly appointed employees and the replacement of obsolete computers in some regions	29
			<b>Programme 3</b>		<b>142</b>
			Machinery and equipment	Office furniture for newly appointed employees and the replacement of old furniture in some regions	142
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Programme 5</b>			<b>Programme 5</b>		
Goods and services	Reduced spending on fleet services as fewer vehicles broke down than anticipated	(31)	Machinery and equipment	Computers for newly appointed employees and the replacement of obsolete computers in some regions	31
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(1 947)</b>	<b>1 947</b>		

**Other adjustments – R728 000****Self-financing expenditure**

## Programme 2: Incarceration

Revenue of R2.185 million was collected from the hiring out of offender labour in 2013/14. R728 000, or one-third of the amount, has been allocated to offender gratuities to supplement funding for this item.

**Expenditure outcome for 2013/14 and actual expenditure for 2014/15**

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 adjusted appropriation % of	Apr 13 - Mar 14	Apr 13 - Mar 14 adjusted appropriation % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 adjusted appropriation % of	
Administration	3 724 714	2 376 446	63.8	5 152 997	138.3	3 623 746	18.4	1 678 869	46.3	
Incarceration	11 527 069	4 850 896	42.1	10 046 507	87.2	12 299 765	62.4	5 880 246	47.8	
Rehabilitation	1 077 287	446 315	41.4	950 045	88.2	1 166 292	5.9	470 148	40.3	
Care	1 617 008	790 039	48.9	1 799 173	111.3	1 745 777	8.9	869 421	49.8	
Social Reintegration	802 415	366 679	45.7	751 289	93.6	886 259	4.5	392 582	44.3	
<b>Total</b>	<b>18 748 493</b>	<b>8 830 375</b>	<b>47.1</b>	<b>18 700 011</b>	<b>99.7</b>	<b>19 721 839</b>	<b>100.0</b>	<b>9 291 266</b>	<b>47.1</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>17 553 588</b>	<b>8 456 570</b>	<b>48.2</b>	<b>17 486 568</b>	<b>99.6</b>	<b>18 583 861</b>	<b>94.2</b>	<b>8 875 272</b>	<b>47.8</b>	
Compensation of employees	12 357 147	6 045 128	48.9	12 190 067	98.6	13 315 604	67.5	6 315 974	47.4	
Goods and services	5 196 441	2 411 442	46.4	5 295 611	101.9	5 268 257	26.7	2 558 977	48.6	
Interest and rent on land	-	-	0.0	890	0.0	-	0.0	321	0.0	
<b>Transfers and subsidies</b>	<b>77 974</b>	<b>55 665</b>	<b>71.4</b>	<b>112 102</b>	<b>143.8</b>	<b>82 620</b>	<b>0.4</b>	<b>54 976</b>	<b>66.5</b>	
Provinces and municipalities	5 791	1 684	29.1	4 180	72.2	6 487	0.0	2 087	32.2	
Departmental agencies and accounts	8 408	-	0.0	8 455	100.6	8 910	0.0	-	0.0	
Public corporations and private enterprises	-	8 682	0.0	-	0.0	-	0.0	-	0.0	
Households	63 775	45 299	71.0	99 467	156.0	67 223	0.3	52 889	78.7	
<b>Payments for capital assets</b>	<b>1 116 931</b>	<b>318 140</b>	<b>28.5</b>	<b>1 097 671</b>	<b>98.3</b>	<b>1 055 358</b>	<b>5.4</b>	<b>361 018</b>	<b>34.2</b>	
Buildings and other fixed structures	798 904	288 719	36.1	862 354	107.9	800 737	4.1	335 762	41.9	
Machinery and equipment	286 827	28 445	9.9	205 330	71.6	253 015	1.3	35 770	14.1	
Biological assets	1 200	976	81.3	2 951	245.9	1 606	0.0	886	55.2	
Software and other intangible assets	30 000	-	0.0	27 036	90.1	-	0.0	(11 400)	0.0	
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>3 670</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	
<b>Total</b>	<b>18 748 493</b>	<b>8 830 375</b>	<b>47.1</b>	<b>18 700 011</b>	<b>99.7</b>	<b>19 721 839</b>	<b>100.0</b>	<b>9 291 266</b>	<b>47.1</b>	

**Expenditure trends for the first half of 2014/15**

Total expenditure in 2013/14 was 99.7 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R9.291 billion or 47.1 per cent of the adjusted appropriation of R19.722 billion for the year. In comparison, mid-year expenditure in 2013/14 was R8.830 billion, or 47.1 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R460.891 million, or 5.2 per cent. This was mainly due to increased spending on compensation of employees to provide for improved conditions of service, as well as the effects of inflation on goods and services items such as operating leases, property payments and travel and subsistence.



## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>131 087</b>	<b>57 238</b>	<b>43.7</b>	<b>117 129</b>	<b>89.4</b>	<b>135 738</b>	<b>126 303</b>	<b>100.0</b>	<b>61 302</b>	<b>48.5</b>
Sales of goods and services produced by department	61 276	23 884	39.0	51 842	84.6	49 939	51 699	40.9	25 571	49.5
Sales of scrap, waste, arms and other used current goods	2 404	1 362	56.7	2 292	95.3	2 249	3 038	2.4	1 469	48.4
Transfers received	–	–	0.0	5	0.0	–	–	0.0	–	0.0
Fines, penalties and forfeits	15 300	8 618	56.3	16 484	107.7	22 165	22 775	18.0	9 546	41.9
Interest, dividends and rent on land	150	81	54.0	–	0.0	543	82	0.1	41	50.0
Sales of capital assets	1 957	1 910	97.6	3 246	165.9	1 500	9 642	7.6	4 821	50.0
Transactions in financial assets and liabilities	50 000	21 383	42.8	43 260	86.5	59 342	39 067	31.0	19 854	50.8
<b>Total</b>	<b>131 087</b>	<b>57 238</b>	<b>43.7</b>	<b>117 129</b>	<b>89.4</b>	<b>135 738</b>	<b>126 303</b>	<b>100.0</b>	<b>61 302</b>	<b>48.5</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R61.302 million, or 48.5 per cent of the adjusted revenue estimate of R126.303 million for the year. In comparison, mid-year revenue in 2013/14 was R57.238 million, or 43.7 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R4.064 million, or 7.1 per cent. This was mainly due to an increase in revenue generated from the sale of capital assets (vehicles), as well as goods and services produced by the department.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	6 427	–	–	60	–	–	–	60	6 487
Vehicle licences	6 427	–	–	60	–	–	–	60	6 487
<b>Incarceration</b>									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	17 069	–	–	–	–	–	728	728	17 797
Prisoner gratuity	17 069	–	–	–	–	–	728	728	17 797



## Defence and Military Veterans

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>42 831 234</b>	<b>42 856 879</b>	–	25 645
<b>of which:</b>				
Current payments	34 471 135	34 471 135	–	–
Transfers and subsidies	7 838 159	7 863 804	–	25 645
Payments for capital assets	521 940	521 940	–	–
Executive authority	Minister of Defence and Military Veterans			
Accounting officer	Secretary for Defence			
Website address	www.dod.mil.za			

### Aim

*Defend and protect the Republic of South Africa, its territorial integrity and its people, in accordance with the Constitution and the principles of international law regulating the use of force. Provide for military veterans' benefits.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Total number of defence attaché offices	Administration	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	41	43	–
Number of military skills development members in the system per year	Administration	Outcome 5: A skilled and capable workforce to support an inclusive growth path	4 272	4 230	–
Number of reserve force person days	Administration	Outcome 3: All people in South Africa are and feel safe	1 883 683	1 196 605 <sup>1</sup>	–
Percentage compliance with the South African Development Community standby force agreement and South African Pledge	Force Employment	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	100%	84%	–
Percentage compliance with number of ordered commitments (external operations)	Force Employment Landward Defence Defence Intelligence		100% (5)	100% (5)	–
Percentage compliance with number of ordered commitments (internal operations)	Force Employment	Outcome 3: All people in South Africa are and feel safe	100% (4)	100% (4)	–
Number of joint, interdepartmental and multinational military exercises conducted per year	Force Employment	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	9	3	–
Number of landward sub-units deployed on border safeguarding per year	Force Employment	Outcome 3: All people in South Africa are and feel safe	13	13	–
Number of force employment hours flown per year	Air Defence		6 985	2 528.53	–
Number of hours at sea per year	Maritime Defence		12 000	5 161.24	–

<sup>1</sup> Information provided is for the first five months to August 2014, as information for September 2014 was not available at the time of publication.

### Mid-year progress

Most of the performance of the Department of Defence is on track to be achieved against the set targets. 3 of the 9 joint, interdepartmental and multinational military exercises that were planned for the year took place

within the first half of the financial year. Only 6 exercises will be conducted in 2014/15, as 3 exercises have been cancelled. The number of force employment hours flown and sea hours on patrol in South African maritime zones and in international waters is expected to increase over the next six months. The target for reserve force person days will be increased to 2 871 852 due to the increased requirement of forces for the African Capacity for Immediate Response to Crises and for border safeguarding.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	4 866 527	-	-	(366 865)	-	-	-	(366 865)	4 499 662
Force Employment	3 436 958	-	-	50 000	-	-	-	50 000	3 486 958
Landward Defence	13 854 866	-	-	371 060	-	-	15 929	386 989	14 241 855
Air Defence	7 166 896	-	-	-	-	-	9 716	9 716	7 176 612
Maritime Defence	3 678 505	-	-	-	-	-	-	-	3 678 505
Military Health Support	3 849 063	-	-	-	-	-	-	-	3 849 063
Defence Intelligence	792 112	-	-	21 606	-	-	-	21 606	813 718
General Support	5 186 307	-	-	(75 801)	-	-	-	(75 801)	5 110 506
<b>Total</b>	<b>42 831 234</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 645</b>	<b>25 645</b>	<b>42 856 879</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>34 471 135</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34 471 135</b>
Compensation of employees	21 980 247	-	-	495 986	-	-	-	495 986	22 476 233
Goods and services	12 490 888	-	-	(495 986)	-	-	-	(495 986)	11 994 902
<b>Transfers and subsidies</b>	<b>7 838 159</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 645</b>	<b>25 645</b>	<b>7 863 804</b>
Provinces and municipalities	94	-	-	-	-	-	-	-	94
Departmental agencies and accounts	6 624 585	-	-	-	-	-	25 645	25 645	6 650 230
Public corporations and private enterprises	1 096 251	-	-	-	-	-	-	-	1 096 251
Non-profit institutions	7 650	-	-	-	-	-	-	-	7 650
Households	109 579	-	-	-	-	-	-	-	109 579
<b>Payments for capital assets</b>	<b>521 940</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>521 940</b>
Buildings and other fixed structures	123 707	-	-	-	-	-	-	-	123 707
Machinery and equipment	347 061	-	-	-	-	-	-	-	347 061
Specialised military assets	45 293	-	-	-	-	-	-	-	45 293
Software and other intangible assets	5 879	-	-	-	-	-	-	-	5 879
<b>Total</b>	<b>42 831 234</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 645</b>	<b>25 645</b>	<b>42 856 879</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Ministry	77 438	-	-	-	-	-	-	-	77 438
Departmental Direction	62 370	-	-	-	-	-	-	-	62 370
Policy and Planning	100 552	-	-	(2 600)	-	-	-	(2 600)	97 952
Financial Services	315 995	-	-	831	-	-	-	831	316 826
Human Resources Support Services	688 169	-	-	12 658	-	-	-	12 658	700 827
Legal Services	271 817	-	-	-	-	-	-	-	271 817
Inspection Services	116 628	-	-	-	-	-	-	-	116 628
Acquisition Services	49 809	-	-	-	-	-	-	-	49 809
Communication Services	40 006	-	-	-	-	-	-	-	40 006
South African National Defence Force Command and Control	144 636	-	-	(2 359)	-	-	-	(2 359)	142 277
Religious Services	12 566	-	-	-	-	-	-	-	12 566
Defence Reserve Direction	25 223	-	-	-	-	-	-	-	25 223
Defence Foreign Relations	212 417	-	-	-	-	-	-	-	212 417
Office Accommodation	2 244 741	-	-	(375 395)	-	-	-	(375 395)	1 869 346
Military Veterans Management	504 160	-	-	-	-	-	-	-	504 160
<b>Total</b>	<b>4 866 527</b>	<b>-</b>	<b>-</b>	<b>(366 865)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(366 865)</b>	<b>4 499 662</b>

**Programme 1: Administration (continued)**

Economic classification		2014/15							
		Adjustments appropriation					Total	Adjusted	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
<b>Current payments</b>	<b>4 288 614</b>	-	-	<b>(366 865)</b>	-	-	-	<b>(366 865)</b>	<b>3 921 749</b>
Compensation of employees	1 550 223	-	-	20 795	-	-	-	20 795	1 571 018
Goods and services	2 738 391	-	-	(387 660)	-	-	-	(387 660)	2 350 731
<b>Transfers and subsidies</b>	<b>546 556</b>	-	-	-	-	-	-	-	<b>546 556</b>
Provinces and municipalities	42	-	-	-	-	-	-	-	42
Departmental agencies and accounts	526 933	-	-	-	-	-	-	-	526 933
Non-profit institutions	6 850	-	-	-	-	-	-	-	6 850
Households	12 731	-	-	-	-	-	-	-	12 731
<b>Payments for capital assets</b>	<b>31 357</b>	-	-	-	-	-	-	-	<b>31 357</b>
Machinery and equipment	31 341	-	-	-	-	-	-	-	31 341
Software and other intangible assets	16	-	-	-	-	-	-	-	16
<b>Total</b>	<b>4 866 527</b>	-	-	<b>(366 865)</b>	-	-	-	<b>(366 865)</b>	<b>4 499 662</b>

**Programme 2: Force Employment**

Subprogramme		2014/15							
		Adjustments appropriation					Total	Adjusted	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
Strategic Direction	115 965	-	-	-	-	-	-	-	115 965
Operational Direction	242 827	-	-	32 035	-	-	-	32 035	274 862
Special Operations	653 809	-	-	-	-	-	-	-	653 809
Regional Security	1 470 943	-	-	17 965	-	-	-	17 965	1 488 908
Support to the People	934 097	-	-	-	-	-	-	-	934 097
Defence Capability Management	19 317	-	-	-	-	-	-	-	19 317
<b>Total</b>	<b>3 436 958</b>	-	-	<b>50 000</b>	-	-	-	<b>50 000</b>	<b>3 486 958</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 957 908</b>	-	-	<b>50 000</b>	-	-	-	<b>50 000</b>	<b>3 007 908</b>
Compensation of employees	1 659 160	-	-	50 000	-	-	-	50 000	1 709 160
Goods and services	1 298 748	-	-	-	-	-	-	-	1 298 748
<b>Transfers and subsidies</b>	<b>293 445</b>	-	-	-	-	-	-	-	<b>293 445</b>
Provinces and municipalities	2	-	-	-	-	-	-	-	2
Departmental agencies and accounts	277 715	-	-	-	-	-	-	-	277 715
Public corporations and private enterprises	8 000	-	-	-	-	-	-	-	8 000
Households	7 728	-	-	-	-	-	-	-	7 728
<b>Payments for capital assets</b>	<b>185 605</b>	-	-	-	-	-	-	-	<b>185 605</b>
Buildings and other fixed structures	760	-	-	-	-	-	-	-	760
Machinery and equipment	183 779	-	-	-	-	-	-	-	183 779
Specialised military assets	1 066	-	-	-	-	-	-	-	1 066
<b>Total</b>	<b>3 436 958</b>	-	-	<b>50 000</b>	-	-	-	<b>50 000</b>	<b>3 486 958</b>

**Programme 3: Landward Defence**

Subprogramme		2014/15							
		Adjustments appropriation					Total	Adjusted	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	adjustments appropriation	appropriation
Strategic Direction	392 213	-	-	9 354	-	-	-	9 354	401 567
Infantry Capability	5 163 088	-	-	161 240	-	-	15 929	177 169	5 340 257
Armour Capability	378 744	-	-	13 900	-	-	-	13 900	392 644
Artillery Capability	431 642	-	-	13 957	-	-	-	13 957	445 599
Air Defence Artillery Capability	482 099	-	-	10 102	-	-	-	10 102	492 201
Engineering Capability	611 982	-	-	22 294	-	-	-	22 294	634 276
Operational Intelligence	187 052	-	-	6 723	-	-	-	6 723	193 775
Command and Control Capability	174 678	-	-	6 069	-	-	-	6 069	180 747
Support Capability	4 557 814	-	-	76 519	-	-	-	76 519	4 634 333
General Training Capability	393 786	-	-	12 862	-	-	-	12 862	406 648
Signal Capability	1 081 768	-	-	38 040	-	-	-	38 040	1 119 808
<b>Total</b>	<b>13 854 866</b>	-	-	<b>371 060</b>	-	-	<b>15 929</b>	<b>386 989</b>	<b>14 241 855</b>

**Programme 3: Landward Defence (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>11 550 258</b>	-	-	<b>371 060</b>	-	-	-	<b>371 060</b>	<b>11 921 318</b>
Compensation of employees	9 505 638	-	-	368 925	-	-	-	368 925	9 874 563
Goods and services	2 044 620	-	-	2 135	-	-	-	2 135	2 046 755
<b>Transfers and subsidies</b>	<b>2 216 998</b>	-	-	-	-	-	<b>15 929</b>	<b>15 929</b>	<b>2 232 927</b>
Provinces and municipalities	5	-	-	-	-	-	-	-	5
Departmental agencies and accounts	2 142 683	-	-	-	-	-	15 929	15 929	2 158 612
Public corporations and private enterprises	49 728	-	-	-	-	-	-	-	49 728
Households	24 582	-	-	-	-	-	-	-	24 582
<b>Payments for capital assets</b>	<b>87 610</b>	-	-	-	-	-	-	-	<b>87 610</b>
Machinery and equipment	67 610	-	-	-	-	-	-	-	67 610
Specialised military assets	20 000	-	-	-	-	-	-	-	20 000
<b>Total</b>	<b>13 854 866</b>	-	-	<b>371 060</b>	-	-	<b>15 929</b>	<b>386 989</b>	<b>14 241 855</b>

**Programme 4: Air Defence**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Strategic Direction	16 660	-	-	-	-	-	-	-	16 660
Operational Direction	137 270	-	-	-	-	-	-	-	137 270
Helicopter Capability	736 982	-	-	-	-	-	-	-	736 982
Transport and Maritime Capability	1 861 098	-	-	-	-	-	-	-	1 861 098
Air Combat Capability	1 148 612	-	-	-	-	-	9 716	9 716	1 158 328
Operational Support and Intelligence Capability	265 395	-	-	-	-	-	-	-	265 395
Command and Control Capability	442 535	-	-	-	-	-	-	-	442 535
Base Support Capability	1 785 348	-	-	-	-	-	-	-	1 785 348
Command Post	50 625	-	-	-	-	-	-	-	50 625
Training Capability	206 837	-	-	-	-	-	-	-	206 837
Technical Support Services	515 534	-	-	-	-	-	-	-	515 534
<b>Total</b>	<b>7 166 896</b>	-	-	-	-	-	<b>9 716</b>	<b>9 716</b>	<b>7 176 612</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>5 033 974</b>	-	-	-	-	-	-	-	<b>5 033 974</b>
Compensation of employees	2 983 184	-	-	-	-	-	-	-	2 983 184
Goods and services	2 050 790	-	-	-	-	-	-	-	2 050 790
<b>Transfers and subsidies</b>	<b>2 129 109</b>	-	-	-	-	-	<b>9 716</b>	<b>9 716</b>	<b>2 138 825</b>
Departmental agencies and accounts	2 111 470	-	-	-	-	-	9 716	9 716	2 121 186
Households	17 639	-	-	-	-	-	-	-	17 639
<b>Payments for capital assets</b>	<b>3 813</b>	-	-	-	-	-	-	-	<b>3 813</b>
Machinery and equipment	3 813	-	-	-	-	-	-	-	3 813
<b>Total</b>	<b>7 166 896</b>	-	-	-	-	-	<b>9 716</b>	<b>9 716</b>	<b>7 176 612</b>

**Programme 7: Defence Intelligence**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Strategic Direction	75	-	-	-	-	-	-	-	75
Operations	473 555	-	-	-	-	-	-	-	473 555
Defence Intelligence Support Services	318 482	-	-	21 606	-	-	-	21 606	340 088
<b>Total</b>	<b>792 112</b>	-	-	<b>21 606</b>	-	-	-	<b>21 606</b>	<b>813 718</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>328 568</b>	-	-	<b>21 606</b>	-	-	-	<b>21 606</b>	<b>350 174</b>
Compensation of employees	296 867	-	-	21 606	-	-	-	21 606	318 473
Goods and services	31 701	-	-	-	-	-	-	-	31 701
<b>Transfers and subsidies</b>	<b>458 734</b>	-	-	-	-	-	-	-	<b>458 734</b>
Provinces and municipalities	5	-	-	-	-	-	-	-	5
Departmental agencies and accounts	455 704	-	-	-	-	-	-	-	455 704
Households	3 025	-	-	-	-	-	-	-	3 025
<b>Payments for capital assets</b>	<b>4 810</b>	-	-	-	-	-	-	-	<b>4 810</b>
Machinery and equipment	4 810	-	-	-	-	-	-	-	4 810
<b>Total</b>	<b>792 112</b>	-	-	<b>21 606</b>	-	-	-	<b>21 606</b>	<b>813 718</b>

**Programme 8: General Support**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Joint Logistic Services	2 481 754	-	-	(110 007)	-	-	-	(110 007)	2 371 747
Command and Management Information Systems	866 987	-	-	-	-	-	-	-	866 987
Military Police	493 415	-	-	25 000	-	-	-	25 000	518 415
Technology Development	442 587	-	-	-	-	-	-	-	442 587
Departmental Support	901 564	-	-	9 206	-	-	-	9 206	910 770
<b>Total</b>	<b>5 186 307</b>	<b>-</b>	<b>-</b>	<b>(75 801)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(75 801)</b>	<b>5 110 506</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>3 736 325</b>	<b>-</b>	<b>-</b>	<b>(75 801)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(75 801)</b>	<b>3 660 524</b>
Compensation of employees	1 511 268	-	-	34 660	-	-	-	34 660	1 545 928
Goods and services	2 225 057	-	-	(110 461)	-	-	-	(110 461)	2 114 596
<b>Transfers and subsidies</b>	<b>1 290 082</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 290 082</b>
Provinces and municipalities	39	-	-	-	-	-	-	-	39
Departmental agencies and accounts	445 738	-	-	-	-	-	-	-	445 738
Public corporations and private enterprises	829 904	-	-	-	-	-	-	-	829 904
Households	14 401	-	-	-	-	-	-	-	14 401
<b>Payments for capital assets</b>	<b>159 900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>159 900</b>
Buildings and other fixed structures	109 427	-	-	-	-	-	-	-	109 427
Machinery and equipment	25 106	-	-	-	-	-	-	-	25 106
Specialised military assets	23 050	-	-	-	-	-	-	-	23 050
Software and other intangible assets	2 317	-	-	-	-	-	-	-	2 317
<b>Total</b>	<b>5 186 307</b>	<b>-</b>	<b>-</b>	<b>(75 801)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(75 801)</b>	<b>5 110 506</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Virements and shifts**

Programmes					
1. Administration					
2. Force Employment					
3. Landward Defence					
4. Air Defence					
5. Maritime Defence					
6. Military Health Support					
7. Defence Intelligence					
8. General Support					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(393 060)</b>	<b>Programme 1</b>		<b>12 570</b>
Goods and services	Reduction on operating budget <sup>1</sup>	(6 100)	Compensation of employees	Improved conditions of service	6 100
	Underspending on accommodation charges <sup>1</sup>	(6 470)	Compensation of employees	Improved conditions of service <sup>1</sup>	6 470
	Underspending on accommodation charges <sup>1</sup>	(368 925)	<b>Programme 3</b>		<b>371 284</b>
	Funds budgeted for guard services rendered to the Defence Headquarters	(2 359)	Compensation of employees	Improved conditions of service <sup>1</sup>	368 925
	Funds budgeted for the continuation of peace mission training by the British support team	(9 206)	Goods and services	Guard services rendered to the Defence Headquarters	2 359
			<b>Programme 8</b>		<b>9 206</b>
			Goods and services	The continuation of peace mission training by the British support team	9 206
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		7.8%			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>			<b>Programme 1</b>		
Goods and services	Reduction on operating budget <sup>1</sup>	(9 400)	Compensation of employees	Improved conditions of service <sup>1</sup>	9 400
	Funds budgeted for services to be provided by the Centre for Conflict Simulation	(4 000)	Goods and services	Services provided by the Centre for Conflict Simulation	4 000
		(5 400)			5 400
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
<b>Programme 8</b>			<b>Programme 1</b>		
Goods and services	Funds rescheduled within the refurbishment programme <sup>1</sup>	(120 498)	Compensation of employees	Improved conditions of service <sup>1</sup>	3 394
	Funds budgeted for guard services rendered to the Defence Works Formation	(3 394)			3 394
	Funds rescheduled within the State Information Technology Agency service level agreements <sup>1</sup>	(9 176)	<b>Programme 3</b>		
	Funds rescheduled within the refurbishment programme <sup>1</sup>	(10 491)	Goods and services	Guard services rendered to the Defence Works Formation	9 176
	Funds rescheduled within the refurbishment programme <sup>1</sup>	(25 000)	<b>Programme 8</b>		
	Funds rescheduled within the refurbishment programme <sup>1</sup>	(50 000)	Compensation of employees	Improved conditions of service	35 491
	Funds rescheduled within the refurbishment programme <sup>1</sup>	(21 606)	Compensation of employees	Improved conditions of service <sup>1</sup>	10 491
Compensation of employees	Funds budgeted for the staffing of finance officials at the Defence Works Formation	(831)	Compensation of employees	Improved conditions of service <sup>1</sup>	25 000
			<b>Programme 2</b>		
			Compensation of employees	Improved conditions of service <sup>1</sup>	50 000
			<b>Programme 7</b>		
			Compensation of employees	Improved conditions of service <sup>1</sup>	21 606
			<b>Programme 1</b>		
			Compensation of employees	Staffing of finance officials at the Defence Works Formation and improved conditions of service	831
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		1.6%			
<b>Total</b>		<b>(522 958)</b>	<b>522 958</b>		

<sup>1</sup>. National Treasury approval has been obtained.

## Other adjustments – R25.645 million

### Self-financing expenditure

R25.645 million in revenue generated from selling equipment and spares procured through the Special Defence Account has been surrendered to the National Revenue Fund. It will be used for defence activities, as follows:

Programme 3: Landward Defence

R15.929 million

Programme 4: Air Defence

R9.716 million



## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
R thousand										
Administration	4 508 999	2 095 402	46.5	4 510 985	100.0	4 499 662	10.5	2 239 871	49.8	
Force	3 555 742	1 410 438	39.7	3 346 655	94.1	3 486 958	8.1	1 485 914	42.6	
Employment										
Landward	13 604 853	6 232 274	45.8	13 599 123	100.0	14 241 855	33.2	6 648 673	46.7	
Defence										
Air Defence	5 714 433	2 654 142	46.4	6 031 523	105.5	7 176 612	16.7	2 450 101	34.1	
Maritime Defence	3 107 341	1 406 254	45.3	3 226 378	103.8	3 678 505	8.6	1 626 114	44.2	
Military Health	3 762 051	1 794 786	47.7	3 733 603	99.2	3 849 063	9.0	1 903 406	49.5	
Support										
Defence	767 940	324 181	42.2	774 683	100.9	813 718	1.9	381 356	46.9	
Intelligence										
General Support	5 636 825	2 513 132	44.6	5 224 571	92.7	5 110 506	11.9	1 977 247	38.7	
<b>Total</b>	<b>40 658 184</b>	<b>18 430 609</b>	<b>45.3</b>	<b>40 447 521</b>	<b>99.5</b>	<b>42 856 879</b>	<b>100.0</b>	<b>18 712 682</b>	<b>43.7</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>33 588 132</b>	<b>14 803 259</b>	<b>44.1</b>	<b>32 733 244</b>	<b>97.5</b>	<b>34 471 135</b>	<b>80.4</b>	<b>15 748 660</b>	<b>45.7</b>	
Compensation of employees	21 373 045	10 460 899	48.9	21 332 701	99.8	22 476 233	52.4	11 308 903	50.3	
Goods and services	12 215 087	4 342 360	35.5	11 400 543	93.3	11 994 902	28.0	4 439 757	37.0	
<b>Transfers and subsidies</b>	<b>6 171 171</b>	<b>2 818 996</b>	<b>45.7</b>	<b>6 422 070</b>	<b>104.1</b>	<b>7 863 804</b>	<b>18.3</b>	<b>2 774 955</b>	<b>35.3</b>	
Provinces and municipalities	–	–	0.0	–	0.0	94	0.0	18	19.1	
Departmental agencies and accounts	4 695 236	2 235 060	47.6	4 697 768	100.1	6 650 230	15.5	2 130 901	32.0	
Foreign governments and international organisations	299 107	–	0.0	303 347	101.4	–	0.0	–	0.0	
Public corporations and private enterprises	1 032 342	542 969	52.6	1 336 996	129.5	1 096 251	2.6	582 397	53.1	
Non-profit institutions	6 923	4 902	70.8	7 701	111.2	7 650	0.0	5 136	67.1	
Households	137 563	36 065	26.2	76 258	55.4	109 579	0.3	56 503	51.6	
<b>Payments for capital assets</b>	<b>745 269</b>	<b>282 724</b>	<b>37.9</b>	<b>1 265 525</b>	<b>169.8</b>	<b>521 940</b>	<b>1.2</b>	<b>185 707</b>	<b>35.6</b>	
Buildings and other fixed structures	115 562	120 324	104.1	216 990	187.8	123 707	0.3	13 764	11.1	
Machinery and equipment	575 667	153 722	26.7	1 023 871	177.9	347 061	0.8	165 590	47.7	
Specialised military assets	40 478	7 411	18.3	21 964	54.3	45 293	0.1	6 337	14.0	
Biological assets	163	1 245	763.8	1 245	763.8	–	0.0	–	0.0	
Software and other intangible assets	13 399	22	0.2	1 455	10.9	5 879	0.0	16	0.3	
<b>Payments for financial assets</b>	<b>153 612</b>	<b>525 630</b>	<b>342.2</b>	<b>26 682</b>	<b>17.4</b>	<b>–</b>	<b>0.0</b>	<b>3 360</b>	<b>0.0</b>	
<b>Total</b>	<b>40 658 184</b>	<b>18 430 609</b>	<b>45.3</b>	<b>40 447 521</b>	<b>99.5</b>	<b>42 856 879</b>	<b>100.0</b>	<b>18 712 682</b>	<b>43.7</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R18.713 billion, or 43.7 per cent of the adjusted appropriation of R42.857 billion for the year. In comparison, mid-year expenditure in 2013/14 was R18.431 billion, or 45.3 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R282.073 million, or 1.5 per cent. This was mainly due to the implementation of the annual salary increases and additional deployments.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome		Actual receipts		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate					
<b>Departmental receipts</b>	<b>798 930</b>	<b>362 967</b>	<b>45.4</b>	<b>853 475</b>	<b>106.8</b>	<b>814 908</b>	<b>814 908</b>	<b>100.0</b>	<b>270 408</b>	<b>33.2</b>
Sales of goods and services produced by department	301 414	213 803	70.9	351 023	116.5	300 035	300 055	36.8	140 442	46.8
Sales of scrap, waste, arms and other used current goods	18 653	963	5.2	1 658	8.9	19 026	19 026	2.3	709	3.7
Transfers received	171 098	86 792	50.7	418 008	244.3	174 508	174 508	21.4	91 718	52.6
Fines, penalties and forfeits	3 776	509	13.5	1 225	32.4	3 851	3 851	0.5	850	22.1
Interest, dividends and rent on land	2 583	1 488	57.6	2 877	111.4	2 635	2 635	0.3	2 150	81.6
Sales of capital assets	55 025	24 904	45.3	24 904	45.3	56 125	56 125	6.9	13 375	23.8
Transactions in financial assets and liabilities	246 381	34 508	14.0	53 780	21.8	258 728	258 708	31.8	21 164	8.2
<b>Total</b>	<b>798 930</b>	<b>362 967</b>	<b>45.4</b>	<b>853 475</b>	<b>106.8</b>	<b>814 908</b>	<b>814 908</b>	<b>100.0</b>	<b>270 408</b>	<b>33.2</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R270.408 million, or 33.2 per cent of the adjusted revenue estimate of R814.908 million for the year. In comparison, mid-year revenue in 2013/14 was R362.967 million, or 45.4 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R92.559 million, or 25.5 per cent. This was mainly due to United Nations reimbursements being lower than the previous financial year and the disposal of redundant equipment that will take place over the next six months.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Landward Defence</b>									
Departmental agencies and accounts									
Departmental agencies (non-business entities)									
Current	2 142 447	-	-	-	-	-	15 929	15 929	2 158 376
Special defence account	2 142 447	-	-	-	-	-	15 929	15 929	2 158 376
<b>Air Defence</b>									
Departmental agencies and accounts									
Departmental agencies (non-business entities)									
Current	2 111 433	-	-	-	-	-	9 716	9 716	2 121 149
Special defence account	2 111 433	-	-	-	-	-	9 716	9 716	2 121 149

## Independent Police Investigative Directorate

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>234 719</b>	<b>234 719</b>	-	-
<b>of which:</b>				
Current payments	231 290	230 086	(1 204)	-
Transfers and subsidies	496	707	-	211
Payments for capital assets	2 933	3 926	-	993
Executive authority	Minister of Police			
Accounting officer	Executive Director of the Independent Police Investigative Directorate			
Website address	www.ipid.gov.za			

### Aim

*Ensure independent oversight of the South African Police Service and the Municipal Police Services. Conduct independent and impartial investigations of identified criminal offences allegedly committed by members of the South African Police Service and the Municipal Police Services and make appropriate recommendations.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of community outreach events conducted per year	Compliance Monitoring and Stakeholder Management	Outcome 12: An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship	306	71	-
Percentage of cases registered and allocated within 72 hours of receipt	Investigation and Information Management	Outcome 3: All people in South Africa are and feel safe	98%	70% (1 916)	-
Percentage of investigations of deaths while in police custody completed within 90 days	Investigation and Information Management		65%	29% (81)	-
Percentage of investigations of deaths as a result of police action completed within 90 days	Investigation and Information Management		65%	14% (72)	-
Percentage of investigations of rape by a police officer completed within 90 days	Investigation and Information Management		60%	31% (38)	-
Percentage of investigations of rape while in police custody completed within 90 days	Investigation and Information Management		60%	50% (7)	-

### Mid-year progress

In the first six months of 2014/15, the directorate received 281 cases relating to deaths in police custody for investigation. Of the reported cases, 124 cases had been completed as at 30 September 2014, with 81 (or 29 per cent) of these cases completed within the set target of 90 days. In the same period, 523 cases relating to deaths as a result of police action were received. Of these, 138 cases had been completed as at the end of the period under review, with 72 (or 14 per cent) cases completed within the set target of 90 days. The

unavailability of witnesses as well as capacity constraints in the directorate contributed to the directorate's inability to complete some cases within 90 days.

Due to leadership instability at the provincial level, the directorate had only conducted 71 community outreach events as at 30 September 2014. However, the directorate has since addressed the management capacity in all provincial offices to ensure that the set target for the year is met.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	73 213	-	-	5 125	-	-	-	5 125	78 338
Investigation and Information Management	151 078	-	-	(3 605)	-	-	-	(3 605)	147 473
Legal Services	5 712	-	-	(357)	-	-	-	(357)	5 355
Compliance Monitoring and Stakeholder Management	4 716	-	-	(1 163)	-	-	-	(1 163)	3 553
<b>Total</b>	<b>234 719</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>234 719</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>231 290</b>	<b>-</b>	<b>-</b>	<b>(1 204)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 204)</b>	<b>230 086</b>
Compensation of employees	162 348	-	-	(25 341)	-	-	-	(25 341)	137 007
Goods and services	68 942	-	-	24 137	-	-	-	24 137	93 079
<b>Transfers and subsidies</b>	<b>496</b>	<b>-</b>	<b>-</b>	<b>211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>211</b>	<b>707</b>
Departmental agencies and accounts	496	-	-	(1)	-	-	-	(1)	495
Households	-	-	-	212	-	-	-	212	212
<b>Payments for capital assets</b>	<b>2 933</b>	<b>-</b>	<b>-</b>	<b>993</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>993</b>	<b>3 926</b>
Machinery and equipment	2 933	-	-	993	-	-	-	993	3 926
<b>Total</b>	<b>234 719</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>234 719</b>

### Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Department Management	9 006	-	-	(2 191)	-	-	-	(2 191)	6 815
Corporate Services	32 034	-	-	8 904	-	-	-	8 904	40 938
Office Accommodation	10 168	-	-	-	-	-	-	-	10 168
Internal Audit	4 024	-	-	(172)	-	-	-	(172)	3 852
Finance Services	17 981	-	-	(1 416)	-	-	-	(1 416)	16 565
<b>Total</b>	<b>73 213</b>	<b>-</b>	<b>-</b>	<b>5 125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 125</b>	<b>78 338</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>71 867</b>	<b>-</b>	<b>-</b>	<b>5 001</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 001</b>	<b>76 868</b>
Compensation of employees	39 241	-	-	(5 117)	-	-	-	(5 117)	34 124
Goods and services	32 626	-	-	10 118	-	-	-	10 118	42 744
<b>Transfers and subsidies</b>	<b>487</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>507</b>
Departmental agencies and accounts	487	-	-	-	-	-	-	-	487
Households	-	-	-	20	-	-	-	20	20
<b>Payments for capital assets</b>	<b>859</b>	<b>-</b>	<b>-</b>	<b>104</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>104</b>	<b>963</b>
Machinery and equipment	859	-	-	104	-	-	-	104	963
<b>Total</b>	<b>73 213</b>	<b>-</b>	<b>-</b>	<b>5 125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 125</b>	<b>78 338</b>

**Programme 2: Investigation and Information Management**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Investigation Management	4 248	-	-	-	-	-	-	-	4 248
Investigation Services	141 666	-	-	(3 606)	-	-	-	(3 606)	138 060
Information Management	5 164	-	-	1	-	-	-	1	5 165
<b>Total</b>	<b>151 078</b>	<b>-</b>	<b>-</b>	<b>(3 605)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 605)</b>	<b>147 473</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>149 227</b>	<b>-</b>	<b>-</b>	<b>(4 609)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 609)</b>	<b>144 618</b>
Compensation of employees	114 353	-	-	(18 628)	-	-	-	(18 628)	95 725
Goods and services	34 874	-	-	14 019	-	-	-	14 019	48 893
<b>Transfers and subsidies</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>115</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115</b>	<b>124</b>
Departmental agencies and accounts	9	-	-	(1)	-	-	-	(1)	8
Households	-	-	-	116	-	-	-	116	116
<b>Payments for capital assets</b>	<b>1 842</b>	<b>-</b>	<b>-</b>	<b>889</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>889</b>	<b>2 731</b>
Machinery and equipment	1 842	-	-	889	-	-	-	889	2 731
<b>Total</b>	<b>151 078</b>	<b>-</b>	<b>-</b>	<b>(3 605)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 605)</b>	<b>147 473</b>

**Programme 3: Legal Services**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Legal Support and Administration	1 482	-	-	-	-	-	-	-	1 482
Litigation Advisory Services	1 989	-	-	(357)	-	-	-	(357)	1 632
Investigation Advisory Services	2 241	-	-	-	-	-	-	-	2 241
<b>Total</b>	<b>5 712</b>	<b>-</b>	<b>-</b>	<b>(357)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(357)</b>	<b>5 355</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>5 699</b>	<b>-</b>	<b>-</b>	<b>(433)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(433)</b>	<b>5 266</b>
Compensation of employees	5 135	-	-	(433)	-	-	-	(433)	4 702
Goods and services	564	-	-	-	-	-	-	-	564
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76</b>	<b>76</b>
Households	-	-	-	76	-	-	-	76	76
<b>Payments for capital assets</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13</b>
Machinery and equipment	13	-	-	-	-	-	-	-	13
<b>Total</b>	<b>5 712</b>	<b>-</b>	<b>-</b>	<b>(357)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(357)</b>	<b>5 355</b>

**Programme 4: Compliance Monitoring and Stakeholder Management**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Compliance Monitoring	2 349	-	-	(1 166)	-	-	-	(1 166)	1 183
Stakeholder Management	2 367	-	-	3	-	-	-	3	2 370
<b>Total</b>	<b>4 716</b>	<b>-</b>	<b>-</b>	<b>(1 163)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 163)</b>	<b>3 553</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>4 497</b>	<b>-</b>	<b>-</b>	<b>(1 163)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 163)</b>	<b>3 334</b>
Compensation of employees	3 619	-	-	(1 163)	-	-	-	(1 163)	2 456
Goods and services	878	-	-	-	-	-	-	-	878
<b>Payments for capital assets</b>	<b>219</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>219</b>
Machinery and equipment	219	-	-	-	-	-	-	-	219
<b>Total</b>	<b>4 716</b>	<b>-</b>	<b>-</b>	<b>(1 163)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 163)</b>	<b>3 553</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

<b>Programmes</b>					
1. Administration					
2. Investigation and Information Management					
3. Legal Services					
4. Compliance Monitoring and Stakeholder Management					
<b>FROM:</b>			<b>TO:</b>		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>			<b>Programme 1</b>		
		<b>(5 137)</b>			<b>5 137</b>
Goods and services	Reallocation of unspent funds for travel, subsistence and communication	(20)	Machinery and equipment	Implementation of the asset management plan	20
Compensation of employees	Vacant posts	(20)	Households	Leave gratuities	20
	Vacant posts	(5 013)	Goods and services	Contractual obligations to service providers for cleaning services, security services, the State Information Technology Agency's services, and operating leases	5 013
	Vacant posts	(84)	Machinery and equipment	Implementation of the asset management plan	84
Shifts within the programme as a percentage of the programme budget		7.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 2</b>			<b>Programme 1</b>		
		<b>(18 629)</b>			<b>3 605</b>
Compensation of employees	Vacant posts	(3 605)	Goods and services	Contractual obligations to service providers for cleaning services, security services, the State Information Technology Agency's services, and operating leases	3 605
	Vacant posts	(115)	<b>Programme 2</b>		<b>15 024</b>
	Vacant posts	(14 019)	Households	Leave gratuities	115
	Vacant posts	(889)	Goods and services	Contractual obligations to service providers for cleaning services, security services, the State Information Technology Agency's services and operating leases	14 019
Departmental agencies and accounts	Vacant posts	(1)	Machinery and equipment	Implementation of asset management plan	889
	Reallocation of transfer payments to departmental agencies for communication expenses (television licences)	(1)	Households	Leave gratuities	1
Shifts within the programme as a percentage of the programme budget		9.9%			
Virements to other programmes as a percentage of the programme budget		2.4%			
<b>Programme 3</b>			<b>Programme 1</b>		
		<b>(433)</b>			<b>357</b>
Compensation of employees	Vacant posts	(357)	Goods and services	Contractual obligations to service providers for cleaning services, security services, the State Information Technology Agency's services and operating leases	357
	Vacant posts	(76)	<b>Programme 3</b>		<b>76</b>
			Goods and services	Contractual obligations to service providers for cleaning services, security services, the State Information Technology Agency's services, and operating leases	76
Shifts within the programme as a percentage of the programme budget		1.3%			
Virements to other programmes as a percentage of the programme budget		6.3%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(1 163)</b>	<b>Programme 1</b>		<b>1 163</b>
Compensation of employees	Vacant posts <sup>1</sup>	(1 163)	Goods and services	Contractual obligations to service providers for cleaning services, security services, the State Information Technology Agency's services, and operating leases <sup>1</sup>	1 163
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget <sup>1</sup>		24.7%			
<b>Total</b>		<b>(25 362)</b>			<b>25 362</b>

1. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	% of adjusted appropriation	Apr 13 - Mar 14	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	% of adjusted appropriation	
R thousand										
Administration	88 446	37 819	42.8	85 592	96.8	78 338	33.4	31 451	40.1	
Investigation and Information Management	121 245	43 574	35.9	102 419	84.5	147 473	62.8	53 221	36.1	
Legal Services	4 451	1 929	43.3	3 306	74.3	5 355	2.3	839	15.7	
Compliance Monitoring and Stakeholder Management	2 849	936	32.9	1 824	64.0	3 553	1.5	768	21.6	
<b>Total</b>	<b>216 991</b>	<b>84 258</b>	<b>38.8</b>	<b>193 141</b>	<b>89.0</b>	<b>234 719</b>	<b>100.0</b>	<b>86 279</b>	<b>36.8</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>213 918</b>	<b>82 744</b>	<b>38.7</b>	<b>188 581</b>	<b>88.2</b>	<b>230 086</b>	<b>98.0</b>	<b>85 309</b>	<b>37.1</b>	
Compensation of employees	131 902	49 997	37.9	105 038	79.6	137 007	58.4	55 672	40.6	
Goods and services	82 016	32 747	39.9	83 543	101.9	93 079	39.7	29 637	31.8	
<b>Transfers and subsidies</b>	<b>140</b>	<b>71</b>	<b>50.7</b>	<b>495</b>	<b>353.6</b>	<b>707</b>	<b>0.3</b>	<b>212</b>	<b>30.0</b>	
Departmental agencies and accounts	140	–	0.0	6	4.3	495	0.2	–	0.0	
Households	–	71	0.0	489	0.0	212	0.1	212	100.0	
<b>Payments for capital assets</b>	<b>2 933</b>	<b>1 443</b>	<b>49.2</b>	<b>4 036</b>	<b>137.6</b>	<b>3 926</b>	<b>1.7</b>	<b>758</b>	<b>19.3</b>	
Machinery and equipment	2 933	1 443	49.2	4 036	137.6	3 926	1.7	758	19.3	
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>29</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	
<b>Total</b>	<b>216 991</b>	<b>84 258</b>	<b>38.8</b>	<b>193 141</b>	<b>89.0</b>	<b>234 719</b>	<b>100.0</b>	<b>86 279</b>	<b>36.8</b>	

## Expenditure trends for the first half of 2014/15

Expenditure in 2013/14 was 89 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R86.279 million, or 36.8 per cent of the adjusted appropriation of R234.719 million for the year. In comparison, mid-year expenditure in 2013/14 was R84.258 million, or 38.8 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R2.021 million or 2.4 per cent. This was mainly due to delays in the filling of vacant posts.

## Departmental receipts

	2013/14					2014/15				
	Adjusted estimate	Audited outcome		Apr 13 - Sep 14		Budget estimate	Actual receipts			Apr 14 - Sep 14 % of adjusted estimate
		Apr 13 - Sep 13	adjusted estimate	Apr 13 - Mar 14	adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	
R thousand										
<b>Departmental receipts</b>	<b>253</b>	<b>194</b>	<b>76.7</b>	<b>321</b>	<b>126.9</b>	<b>189</b>	<b>244</b>	<b>100.0</b>	<b>161</b>	<b>66.0</b>
Sales of goods and services produced by department	111	73	65.8	148	133.3	117	152	62.3	78	51.3
Sales of scrap, waste, arms and other used current goods	1	1	100.0	2	200.0	-	-	0.0	-	0.0
Interest, dividends and rent on land	44	23	52.3	11	25.0	2	12	4.9	6	50.0
Transactions in financial assets and liabilities	97	97	100.0	160	164.9	70	80	32.8	77	96.3
<b>Total</b>	<b>253</b>	<b>194</b>	<b>76.7</b>	<b>321</b>	<b>126.9</b>	<b>189</b>	<b>244</b>	<b>100.0</b>	<b>161</b>	<b>66.0</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R161 000, or 66 per cent of the adjusted revenue estimate of R244 000. In comparison, mid-year revenue in 2013/14 was R194 000, or 76.7 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R33 000 or 17 per cent. This was mainly due to the decrease in the commission collected from employees for the processing of their personal insurance payments through PERSAL because of staff turnover.

## Changes to transfers and subsidies, including conditional grants

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

	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Administration</b>									
Households									
Other transfers to households									
Current	-	-	-	20	-	-	-	20	20
Employee social benefits	-	-	-	20	-	-	-	20	20
<b>Investigation and Information Management</b>									
Departmental agencies and accounts									
Departmental agencies (non-business entities)									
Current	9	-	-	(1)	-	-	-	(1)	8
Communication	9	-	-	(1)	-	-	-	(1)	8
Households									
Other transfers to households									
Current	-	-	-	116	-	-	-	116	116
Employee social benefits	-	-	-	116	-	-	-	116	116
<b>Legal services</b>									
Households									
Social benefits									
Current	-	-	-	76	-	-	-	76	76
Employee social benefits	-	-	-	76	-	-	-	76	76



# Vote 24

## Justice and Constitutional Development

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>15 161 871</b>	<b>15 161 871</b>	-	-
<b>of which:</b>				
Current payments	11 666 266	11 764 587	-	98 321
Transfers and subsidies	2 165 957	2 228 857	-	62 900
Payments for capital assets	1 329 648	1 166 171	(163 477)	-
Payments for financial assets	-	2 256	-	2 256
<b>Direct charge against the National Revenue Fund</b>	<b>2 730 266</b>	<b>2 730 266</b>	-	-
Executive authority	Minister of Justice and Constitutional Development			
Accounting officer	Director-General of Justice and Constitutional Development			
Website address	www.justice.gov.za			

### Aim

*Uphold and protect the Constitution and the rule of law, and render accessible, fair, speedy and cost effective administration of justice in the interests of a safer and more secure South Africa.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first five months of 2014/15 (April to August)	Changed target for 2014/15
Number of cases on the backlog roll	Court Services		29 952	27 946	-
Average court hours per day	Court Services		4h30mins	3h36mins	-
Number of criminal court cases finalised with verdict	National Prosecuting Authority		324 276	137 589	-
Number of criminal court cases finalised through alternative dispute resolution mechanisms	National Prosecuting Authority		149 204	75 904	-
Overall conviction rate:	National Prosecuting Authority				-
- High courts			87% (979)	89.0% (324)	
- Regional courts			74% (27 372)	76.7% (11 423)	
- District courts			87% (266 849)	93.9% (114 804)	
National Specialised Prosecution Services:	National Prosecuting Authority	Outcome 3: All people in South Africa are and feel safe			
- Total number of operational Thuthuzela care centre			50	38	-
- Number of persons convicted of corruption where the amount involved is more than R5 million			20	4	-
- Conviction rate on complex commercial crime			93% (919)	93.9% (446)	-
Asset Forfeiture Unit:	National Prosecuting Authority				
- Number of completed forfeiture cases			324	159	-
- Value of completed forfeiture cases			R180m	R54.3m	-
- Number of freezing orders			281	133	-
- Value of freezing orders			R755m	R2 504.9m	-
- Success rate			93% (301)	96.5% (304/315)	-

### Mid-year progress

The National Prosecuting Authority expects to meet its performance targets by the end of the year. The number of criminal court cases finalised with verdicts was 137 589 cases against the target of 137 277 for the

period under review. Despite the good performance, the under-utilisation of court hours remains a problem, resulting from poor planning of case flow management.

The specialised commercial crime unit improved its performance in the conviction rate on complex commercial crime, with a conviction rate of 93.9 per cent (446) against the target of 93 per cent (389). The unit also convicted 4 persons of corruption where the amount involved is more than R5 million against the target of 7. The National Prosecuting Authority is working towards achieving the target by improving collaboration and engagement with other departments in the justice, crime prevention and security cluster.

The asset forfeiture unit completed 159 cases involving assets valued at R54.3 million and obtained 133 freezing orders valued at R2 504.9 million. The unit expects to achieve all its targets for the year.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	1 853 532	-	-	87 703	-	-	-	87 703	1 941 235
Court Services	6 060 487	-	-	(152 666)	-	-	-	(152 666)	5 907 821
State Legal Services	924 950	-	-	42 412	-	-	-	42 412	967 362
National Prosecuting Authority	3 252 872	-	-	1 251	-	-	-	1 251	3 254 123
Auxiliary and Associated Services	3 070 030	-	-	21 300	-	-	-	21 300	3 091 330
<b>Total</b>	<b>15 161 871</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 161 871</b>
<b>Direct charge against the National Revenue Fund</b>	<b>2 730 266</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 730 266</b>
Judges' Salaries	828 983	-	-	27 000	-	-	-	27 000	855 983
Magistrates' Salaries	1 901 283	-	-	(27 000)	-	-	-	(27 000)	1 874 283
<b>Total</b>	<b>17 892 137</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 892 137</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>14 289 215</b>	<b>-</b>	<b>-</b>	<b>98 321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98 321</b>	<b>14 387 536</b>
Compensation of employees	10 130 337	-	-	-	-	-	-	-	10 130 337
Goods and services	4 158 878	-	-	98 321	-	-	-	98 321	4 257 199
<b>Transfers and subsidies</b>	<b>2 273 274</b>	<b>-</b>	<b>-</b>	<b>62 900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62 900</b>	<b>2 336 174</b>
Provinces and municipalities	370	-	-	111	-	-	-	111	481
Departmental agencies and accounts	2 122 226	-	-	35 782	-	-	-	35 782	2 158 008
Foreign governments and international organisations	5 818	-	-	19 300	-	-	-	19 300	25 118
Households	144 860	-	-	7 707	-	-	-	7 707	152 567
<b>Payments for capital assets</b>	<b>1 329 648</b>	<b>-</b>	<b>-</b>	<b>(163 477)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(163 477)</b>	<b>1 166 171</b>
Buildings and other fixed structures	864 343	-	-	(278 349)	-	-	-	(278 349)	585 994
Machinery and equipment	465 262	-	-	114 872	-	-	-	114 872	580 134
Software and other intangible assets	43	-	-	-	-	-	-	-	43
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 256</b>	<b>2 256</b>
<b>Total</b>	<b>17 892 137</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 892 137</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Ministry Management	40 665	-	-	(7 199)	-	-	-	(7 199)	33 466
Corporate Services	62 171	-	-	(18 620)	-	-	-	(18 620)	43 551
Office Accommodation	763 998	-	-	83 522	-	-	-	83 522	847 520
<b>Total</b>	<b>986 698</b>	<b>-</b>	<b>-</b>	<b>30 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 000</b>	<b>1 016 698</b>
<b>Total</b>	<b>1 853 532</b>	<b>-</b>	<b>-</b>	<b>87 703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87 703</b>	<b>1 941 235</b>

**Programme 1: Administration (continued)**

Economic classification		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>1 831 900</b>	-	-	<b>92 261</b>	-	-	-	<b>92 261</b>	<b>1 924 161</b>
Compensation of employees	512 661	-	-	(4 657)	-	-	-	(4 657)	508 004
Goods and services	1 319 239	-	-	96 918	-	-	-	96 918	1 416 157
<b>Transfers and subsidies</b>	<b>6 196</b>	-	-	<b>1 683</b>	-	-	-	<b>1 683</b>	<b>7 879</b>
Provinces and municipalities	32	-	-	-	-	-	-	-	32
Departmental agencies and accounts	5 931	-	-	-	-	-	-	-	5 931
Households	233	-	-	1 683	-	-	-	1 683	1 916
<b>Payments for capital assets</b>	<b>15 436</b>	-	-	<b>(7 076)</b>	-	-	-	<b>(7 076)</b>	<b>8 360</b>
Machinery and equipment	15 393	-	-	(7 076)	-	-	-	(7 076)	8 317
Software and other intangible assets	43	-	-	-	-	-	-	-	43
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>835</b>	-	-	-	<b>835</b>	<b>835</b>
<b>Total</b>	<b>1 853 532</b>	<b>-</b>	<b>-</b>	<b>87 703</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87 703</b>	<b>1 941 235</b>

**Programme 2: Court Services**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Constitutional Court	134 680	-	-	-	-	-	-	-	134 680
Supreme Court of Appeal	24 174	-	-	500	-	-	-	500	24 674
High Courts	366 424	-	-	8 435	-	-	-	8 435	374 859
Specialised Courts	39 821	-	-	-	-	-	-	-	39 821
Lower Courts	3 808 433	-	-	74 561	-	-	-	74 561	3 882 994
Family Advocate	177 410	-	-	14 904	-	-	-	14 904	192 314
Magistrate's Commission	15 088	-	-	-	-	-	-	-	15 088
Government Motor Transport	28 520	-	-	7 041	-	-	-	7 041	35 561
Facilities Management	1 034 261	-	-	(352 823)	-	-	-	(352 823)	681 438
Administration of Courts	431 676	-	-	94 716	-	-	-	94 716	526 392
<b>Total</b>	<b>6 060 487</b>	<b>-</b>	<b>-</b>	<b>(152 666)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(152 666)</b>	<b>5 907 821</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>5 139 548</b>	-	-	<b>5 478</b>	-	-	-	<b>5 478</b>	<b>5 145 026</b>
Compensation of employees	3 581 180	-	-	(15 023)	-	-	-	(15 023)	3 566 157
Goods and services	1 558 368	-	-	20 501	-	-	-	20 501	1 578 869
<b>Transfers and subsidies</b>	<b>28 390</b>	-	-	<b>111</b>	-	-	-	<b>111</b>	<b>28 501</b>
Provinces and municipalities	314	-	-	111	-	-	-	111	425
Departmental agencies and accounts	34	-	-	-	-	-	-	-	34
Households	28 042	-	-	-	-	-	-	-	28 042
<b>Payments for capital assets</b>	<b>892 549</b>	-	-	<b>(159 045)</b>	-	-	-	<b>(159 045)</b>	<b>733 504</b>
Buildings and other fixed structures	844 463	-	-	(277 647)	-	-	-	(277 647)	566 816
Machinery and equipment	48 086	-	-	118 602	-	-	-	118 602	166 688
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>790</b>	-	-	-	<b>790</b>	<b>790</b>
<b>Total</b>	<b>6 060 487</b>	<b>-</b>	<b>-</b>	<b>(152 666)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(152 666)</b>	<b>5 907 821</b>

**Programme 3: State Legal Services**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
State Law Advisors	64 381	-	-	(1 596)	-	-	-	(1 596)	62 785
Litigation and Legal Services	331 072	-	-	32 527	-	-	-	32 527	363 599
Legislative Development and Law Reform	65 082	-	-	(12 011)	-	-	-	(12 011)	53 071
Master of the High Court	407 140	-	-	92	-	-	-	92	407 232
Constitutional Development	57 275	-	-	23 400	-	-	-	23 400	80 675
<b>Total</b>	<b>924 950</b>	<b>-</b>	<b>-</b>	<b>42 412</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42 412</b>	<b>967 362</b>

**Programme 3: State Legal Services (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>909 110</b>	–	–	<b>15 720</b>	–	–	–	<b>15 720</b>	<b>924 830</b>
Compensation of employees	778 883	–	–	18 429	–	–	–	18 429	797 312
Goods and services	130 227	–	–	(2 709)	–	–	–	(2 709)	127 518
<b>Transfers and subsidies</b>	<b>7 391</b>	–	–	<b>24 824</b>	–	–	–	<b>24 824</b>	<b>32 215</b>
Provinces and municipalities	24	–	–	–	–	–	–	–	24
Departmental agencies and accounts	1	–	–	–	–	–	–	–	1
Foreign governments and international organisations	5 818	–	–	19 300	–	–	–	19 300	25 118
Households	1 548	–	–	5 524	–	–	–	5 524	7 072
<b>Payments for capital assets</b>	<b>8 449</b>	–	–	<b>1 776</b>	–	–	–	<b>1 776</b>	<b>10 225</b>
Machinery and equipment	8 449	–	–	1 776	–	–	–	1 776	10 225
<b>Payments for financial assets</b>	<b>–</b>	–	–	<b>92</b>	–	–	–	<b>92</b>	<b>92</b>
<b>Total</b>	<b>924 950</b>	–	–	<b>42 412</b>	–	–	–	<b>42 412</b>	<b>967 362</b>

**Programme 4: National Prosecuting Authority**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
National Prosecutions Service	2 152 641	–	–	10 000	–	–	–	10 000	2 162 641
National Specialised Prosecutions Services	307 647	–	–	(10 000)	–	–	–	(10 000)	297 647
Asset Forfeiture Unit	121 647	–	–	1 251	–	–	(880)	371	122 018
Office for Witness Protection	161 397	–	–	3 000	–	–	–	3 000	164 397
Support Services	509 540	–	–	(3 000)	–	–	880	(2 120)	507 420
<b>Total</b>	<b>3 252 872</b>	–	–	<b>1 251</b>	–	–	–	<b>1 251</b>	<b>3 254 123</b>
<b>Economic classification</b>	<b>3 164 549</b>	–	–	<b>(15 138)</b>	–	–	–	<b>(15 138)</b>	<b>3 149 411</b>
<b>Current payments</b>	<b>2 634 664</b>	–	–	<b>1 251</b>	–	–	–	<b>1 251</b>	<b>2 635 915</b>
Compensation of employees	2 634 664	–	–	1 251	–	–	–	1 251	2 635 915
Goods and services	529 885	–	–	(16 389)	–	–	–	(16 389)	513 496
<b>Transfers and subsidies</b>	<b>15 538</b>	–	–	<b>(4 518)</b>	–	–	–	<b>(4 518)</b>	<b>11 020</b>
Departmental agencies and accounts	7 818	–	–	(5 018)	–	–	–	(5 018)	2 800
Households	7 720	–	–	500	–	–	–	500	8 220
<b>Payments for capital assets</b>	<b>72 785</b>	–	–	<b>20 368</b>	–	–	–	<b>20 368</b>	<b>93 153</b>
Buildings and other fixed structures	19 880	–	–	(702)	–	–	–	(702)	19 178
Machinery and equipment	52 905	–	–	21 070	–	–	–	21 070	73 975
<b>Payments for financial assets</b>	<b>–</b>	–	–	<b>539</b>	–	–	–	<b>539</b>	<b>539</b>
<b>Total</b>	<b>3 252 872</b>	–	–	<b>1 251</b>	–	–	–	<b>1 251</b>	<b>3 254 123</b>

**Programme 5: Auxiliary and Associated Services**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Legal Aid South Africa	1 465 908	–	–	38 800	–	–	–	38 800	1 504 708
Special Investigating Unit	296 813	–	–	–	–	–	–	–	296 813
Public Protector of South Africa	217 584	–	–	–	–	–	–	–	217 584
South African Human Rights Commission	128 136	–	–	2 000	–	–	–	2 000	130 136
Justice Modernisation	961 588	–	–	(19 500)	–	–	–	(19 500)	942 088
President's Fund	1	–	–	–	–	–	–	–	1
<b>Total</b>	<b>3 070 030</b>	–	–	<b>21 300</b>	–	–	–	<b>21 300</b>	<b>3 091 330</b>

**Programme 5: Auxiliary and Associated Services (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
<b>Current payments</b>	<b>621 159</b>	-	-	-	-	-	-	-	<b>621 159</b>
Goods and services	621 159	-	-	-	-	-	-	-	621 159
<b>Transfers and subsidies</b>	<b>2 108 442</b>	-	-	<b>40 800</b>	-	-	-	<b>40 800</b>	<b>2 149 242</b>
Departmental agencies and accounts	2 108 442	-	-	40 800	-	-	-	40 800	2 149 242
<b>Payments for capital assets</b>	<b>340 429</b>	-	-	<b>(19 500)</b>	-	-	-	<b>(19 500)</b>	<b>320 929</b>
Machinery and equipment	340 429	-	-	(19 500)	-	-	-	(19 500)	320 929
<b>Total</b>	<b>3 070 030</b>	-	-	<b>21 300</b>	-	-	-	<b>21 300</b>	<b>3 091 330</b>

**Direct charges against the National Revenue Fund**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
Judges' Salaries	828 983	-	-	27 000	-	-	-	27 000	855 983
Magistrates' Salaries	1 901 283	-	-	(27 000)	-	-	-	(27 000)	1 874 283
<b>Total</b>	<b>2 730 266</b>	-	-	-	-	-	-	-	<b>2 730 266</b>
<b>Current payments</b>	<b>2 622 949</b>	-	-	-	-	-	-	-	<b>2 622 949</b>
Compensation of employees	2 622 949	-	-	-	-	-	-	-	2 622 949
<b>Transfers and subsidies</b>	<b>107 317</b>	-	-	-	-	-	-	-	<b>107 317</b>
Households	107 317	-	-	-	-	-	-	-	107 317
<b>Total</b>	<b>2 730 266</b>	-	-	-	-	-	-	-	<b>2 730 266</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Virements and shifts****Programmes**

- Administration
- Court Services
- State Legal Services
- National Prosecuting Authority
- Auxiliary and Associated Services

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(56 048)</b>	<b>Programme 1</b>		<b>2 518</b>
Goods and services	Reallocation of funds from consultants	(1 683)	Households	Leave gratuities	1 683
	Reallocation of funds from agency services	(835)	Payments for financial assets	Theft and losses write-offs for historical debts	835
	Reallocation of funds from operating leases, assets less than R5 000, and communication	(7 950)	<b>Programme 3</b>		<b>7 950</b>
	Reallocation of funds from consultants	(14 256)	Goods and services	Capacitation of the Office of the State Attorney	7 950
	Reallocation of funds from compensation of employees	(24 248)	<b>Programme 2</b>		<b>14 256</b>
			Compensation of employees	Internship programme in the regions	14 256
			<b>Programme 3</b>		<b>24 248</b>
Compensation of employees	Reallocation of funds from compensation of employees	(24 248)	Compensation of employees	Capacitation of the Office of the State Attorney	24 248

2014 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>Programme 2</b>		
Machinery and equipment	Reallocation of funds from office furniture	(7 000)	Machinery and equipment	Shortfall in finance leases of motor vehicles and photocopy machines	7 000
Goods and services	Reallocation of funds from assets less than R5 000	(76)	<b>Programme 3</b>		
			Machinery and equipment	Capacitation of the Office of the State Attorney	76
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.9%</b>			
<b>Programme 2</b>		<b>(465 387)</b>	<b>Programme 2</b>		
Goods and services	Reallocation of funds from agency services, rental and hiring, property payments and consultants	(59 637)	Compensation of employees	Salaries for newly appointed clerks, extension of contract posts, and shortfall in compensation of employees	59 637
	Reallocation of funds from operating leases, operating payments, catering and consultants	(586)	Households	Leave gratuities	586
	Reallocation of funds from operating leases, agency services, property payments, contractors, and consultants	(37 136)	Machinery and equipment	Finance leases and motor vehicles in the regions	37 136
	Reallocation of funds from consultants	(790)	Payments for financial assets	Theft and losses write-offs for historical debts	790
	Reallocation of funds from catering and consultants	(89)	Provinces and municipalities	Shortfall in vehicle licence fees	89
Compensation of employees	Reallocation of funds from compensation of employees	(6 800)	<b>Programme 1</b>		
	Reallocation of funds from compensation of employees	(2 500)	Compensation of employees	Shortfall in compensation of employees for the third party funds unit	6 800
	Reallocation of funds from compensation of employees	(78 739)	Goods and services	Training for personnel in the third party funds unit	2 500
	Reallocation of funds from salaries and wages	(877)	<b>Programme 2</b>		
Buildings and other fixed structures	Reduced spending due to delays in capital works projects <sup>1</sup>	(12 791)	Goods and services	2014 general elections, operational costs for newly appointed clerks and operational costs for third party funds units in the regions	78 739
	Reduced spending due to delays in capital works projects <sup>1</sup>	(30 000)	Machinery and equipment	Procurement of office furniture and equipment for newly opened offices	877
	Reduced spending due to delays in capital works projects <sup>1</sup>	(89 142)	<b>Programme 1</b>		
	Reduced spending due to delays in capital works projects <sup>1</sup>	(40 000)	Compensation of employees	Seriti Arms Procurement Commission and Marikana Commission of Enquiry	12 791
	Reduced spending due to delays in capital works projects <sup>1</sup>	(73 025)	Goods and services	Shortfall in municipal rates and taxes and office accommodation leases	30 000
			Goods and services	Seriti Arms Procurement Commission and Marikana Commission of Enquiry	89 142
			<b>Programme 2</b>		
			Goods and services	Shortfall in security services	40 000
			Machinery and equipment	Shortfall in finance leases, procurement of office furniture and equipments for new and existing courts, and procurement of mobile offices, office furniture and equipments in the regions	73 025

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>			<b>Programme 3</b>		<b>11 389</b>
	Reduced spending due to delays in capital works projects <sup>1</sup>	(11 389)	Foreign governments and international organisations	Subscription fees and costs affected by the depreciation of the Rand <sup>2</sup>	11 389
	Reduced spending due to delays in capital works projects <sup>1</sup>	(21 300)	<b>Programme 5</b>		<b>21 300</b>
			Departmental agencies and accounts	Implementation of criminal case backlog project by Legal Aid South Africa and appointment of a full time additional commissioner at the South African Human Rights Commission <sup>2</sup>	21 300
Households	Reallocation of funds from leave gratuities	(564)	<b>Programme 2</b>		<b>586</b>
			Machinery and equipment	Office furniture and equipment for newly opened offices	564
	Reallocation of funds from leave gratuities	(22)	Provinces and municipalities	Shortfall in vehicle licence fees	22
Shifts within the programme as a percentage of the programme budget		4.8%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.9%</b>			
<b>Programme 3</b>		<b>(29 895)</b>	<b>Programme 3</b>		<b>28 644</b>
Goods and services	Reallocation of funds from operating leases	(6 000)	Compensation of employees	Salaries for newly appointed clerks	6 000
	Reallocation of funds from advertising, operating leases and assets less than R5 000	(5 524)	Households	Shortfall in leave gratuities and claims against the state	5 524
	Reallocation of funds from operating leases	(1 700)	Machinery and equipment	Finance leases	1 700
	Reallocation of funds from advertising and assets less than R5 000	(92)	Payments for financial assets	Theft and losses write-offs for historical debts	92
	Reallocation of funds from agency services and communication	(4 760)	Foreign governments and international organisations	Subscription fee and changes due to the foreign exchange rate <sup>2</sup>	4 760
Compensation of employees	Reallocation of funds from compensation of employees	(7 417)	Goods and services	Shortfall in Human Rights Day celebration	7 417
	Reallocation of funds from compensation of employees	(3 151)	Foreign governments and international organisations	Subscription fees and costs affected by the depreciation of the Rand <sup>2</sup>	3 151
	Lateral transfer of two state advocates	(1 251)	<b>Programme 4</b>		<b>1 251</b>
			Compensation of employees	Lateral transfer of two state advocates to the National Prosecuting Authority	1 251
Shifts within the programme as a percentage of the programme budget		3.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Programme 4</b>		<b>(22 109)</b>	<b>Programme 4</b>		<b>22 109</b>
Goods and services	Reallocation of funds from travel and subsistence	(500)	Households	Leave gratuities	500
	Reallocation of funds from property payments and travel and subsistence	(15 350)	Machinery and equipment	Procurement of laptops and printers, and shortfall in finance leases	15 350
	Reallocation of funds from property payments	(539)	Payments for financial assets	Theft and losses write-offs	539
Departmental agencies and accounts	Reallocation of funds from departmental agencies and accounts	(5 018)	Machinery and equipment	Security x-ray machines for head office and regions	5 018

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Buildings and other fixed structures	Reallocation of funds from buildings	(702)	Machinery and equipment	Finance leases	702
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 5</b>		<b>(19 500)</b>	<b>Programme 5</b>		<b>19 500</b>
Machinery and equipment	Reallocation of funds from machinery and equipment <sup>2</sup>	(19 500)	Departmental agencies and accounts	Implementation of electronic legal aid administration project by Legal Aid South Africa <sup>2</sup>	19 500
Shifts within the programme as a percentage of the programme budget		0.6%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(592 939)</b>			<b>592 939</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (Act 1 of 1999).

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	% of adjusted appropriation	Apr 13 - Mar 14	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	% of adjusted appropriation	
Administration	1 896 130	788 988	41.6	1 771 135	93.4	1 941 235	10.8	672 543	34.6	
Court Services	5 654 544	2 611 301	46.2	5 424 345	95.9	5 907 821	33.0	2 745 816	46.5	
State Legal Services	876 616	419 356	47.8	871 058	99.4	967 362	5.4	431 566	44.6	
National Prosecuting Authority	3 068 164	1 400 477	45.6	3 068 164	100.0	3 254 123	18.2	1 532 728	47.1	
Auxiliary and Associated Services	2 711 024	1 138 090	42.0	2 595 960	95.8	3 091 330	17.3	1 219 827	39.5	
<b>Subtotal</b>	<b>14 206 478</b>	<b>6 358 212</b>	<b>44.8</b>	<b>13 730 662</b>	<b>96.7</b>	<b>15 161 871</b>	<b>84.7</b>	<b>6 602 480</b>	<b>43.5</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>2 575 723</b>	<b>1 146 251</b>	<b>44.5</b>	<b>2 298 637</b>	<b>89.2</b>	<b>2 730 266</b>	<b>15.3</b>	<b>1 206 972</b>	<b>44.2</b>	
Judges' Salaries	786 511	380 989	48.4	1 509 978	192.0	855 983	4.8	417 250	48.7	
Magistrates' Salaries	1 789 212	765 262	42.8	788 659	44.1	1 874 283	10.5	789 722	42.1	
<b>Total</b>	<b>16 782 201</b>	<b>7 504 463</b>	<b>44.7</b>	<b>16 029 299</b>	<b>95.5</b>	<b>17 892 137</b>	<b>100.0</b>	<b>7 809 452</b>	<b>43.6</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>13 599 360</b>	<b>6 181 629</b>	<b>45.5</b>	<b>13 054 464</b>	<b>96.0</b>	<b>14 387 536</b>	<b>80.4</b>	<b>6 221 114</b>	<b>43.2</b>	
Compensation of employees	9 399 353	4 467 191	47.5	9 013 019	95.9	10 130 337	56.6	4 771 853	47.1	
Goods and services	4 200 007	1 714 438	40.8	4 041 445	96.2	4 257 199	23.8	1 449 261	34.0	
<b>Transfers and subsidies</b>	<b>2 156 618</b>	<b>1 073 908</b>	<b>49.8</b>	<b>2 121 209</b>	<b>98.4</b>	<b>2 336 174</b>	<b>13.1</b>	<b>1 139 812</b>	<b>48.8</b>	
Provinces and municipalities	286	221	77.3	569	199.0	481	0.0	199	41.4	
Departmental agencies and accounts	2 003 130	1 006 310	50.2	1 998 123	99.8	2 158 008	12.1	1 066 628	49.4	
Foreign governments and international organisations	14 489	9 494	65.5	11 194	77.3	25 118	0.1	331	1.3	
Households	138 713	57 883	41.7	111 323	80.3	152 567	0.9	72 654	47.6	
<b>Payments for capital assets</b>	<b>1 024 726</b>	<b>246 415</b>	<b>24.0</b>	<b>836 819</b>	<b>81.7</b>	<b>1 166 171</b>	<b>6.5</b>	<b>445 991</b>	<b>38.2</b>	
Buildings and other fixed structures	803 569	205 363	25.6	398 796	49.6	585 994	3.3	338 929	57.8	
Machinery and equipment	221 116	41 052	18.6	437 922	198.1	580 134	3.2	107 027	18.4	
Software and other intangible assets	41	-	0.0	101	246.3	43	0.0	35	81.4	
<b>Payments for financial assets</b>	<b>1 497</b>	<b>2 511</b>	<b>168</b>	<b>16 807</b>	<b>1 123</b>	<b>2 256</b>	<b>0.0</b>	<b>2 535</b>	<b>112.4</b>	
<b>Total</b>	<b>16 782 201</b>	<b>7 504 463</b>	<b>44.7</b>	<b>16 029 299</b>	<b>95.5</b>	<b>17 892 137</b>	<b>100.0</b>	<b>7 809 452</b>	<b>43.6</b>	

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 95.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R7.809 billion, or 43.6 per cent of the adjusted appropriation of R17.892 billion for the year. In comparison, mid-year expenditure in 2013/14 was R7.504 billion, or 44.7 per cent of the 2013/14



adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R304.989 million, or 4.1 per cent. This was mainly due to salary adjustments.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome				Actual receipts				
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>408 710</b>	<b>182 790</b>	<b>44.7</b>	<b>416 149</b>	<b>101.8</b>	<b>472 745</b>	<b>300 909</b>	<b>100.0</b>	<b>160 888</b>	<b>53.5</b>
<b>Tax receipts</b>	<b>300</b>	<b>130</b>	<b>43.0</b>	<b>-</b>	<b>0.0</b>	<b>315</b>	<b>60</b>	<b>0.0</b>	<b>27</b>	<b>45.0</b>
Sales of goods and services produced by department	56 882	36 721	64.6	73 675	129.5	52 076	52 504	17.5	30 978	59.0
Sales of scrap, waste, arms and other used current goods	35	17	48.6	47	134.3	12	748	0.2	567	75.8
Transfers received	110	106	96.4	362	329.1	-	-	0.0	-	0.0
Fines, penalties and forfeits	320 224	125 651	39.2	274 261	85.6	385 437	198 420	65.9	96 070	48.4
Interest, dividends and rent on land	1 913	1 651	86.3	23 657	1 236.6	11 000	1 600	0.5	847	52.9
Sales of capital assets	8	4	50.0	612	7 650.0	175	175	0.1	1	0.6
Transactions in financial assets and liabilities	29 238	18 510	63.3	43 535	148.9	23 730	47 402	15.8	32 398	68.3
<b>Total</b>	<b>408 710</b>	<b>182 790</b>	<b>44.7</b>	<b>416 149</b>	<b>101.8</b>	<b>472 745</b>	<b>300 909</b>	<b>100.0</b>	<b>160 888</b>	<b>53.5</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R160.888 million, or 53.5 per cent of the adjusted estimate of R300.909 million for the year. In comparison, mid-year revenue in 2013/14 was R182.790 million, or 44.7 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R21.902 million, or 12 per cent. This was mainly due to courts issuing fewer fines, penalties and forfeits.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>233</b>	<b>-</b>	<b>-</b>	<b>1 683</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 683</b>	<b>1 916</b>
Employee social benefits	233	-	-	1 683	-	-	-	1 683	1 916
<b>Court Services</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	<b>314</b>	<b>-</b>	<b>-</b>	<b>111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111</b>	<b>425</b>
Vehicle licences	314	-	-	111	-	-	-	111	425
<b>State Legal Services</b>									
<b>Foreign governments and international organisations</b>									

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Current</b>	<b>5 818</b>	–	–	<b>19 300</b>	–	–	–	<b>19 300</b>	<b>25 118</b>
International Criminal Court	5 818	–	–	19 300	–	–	–	19 300	25 118
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>1 548</b>	–	–	<b>24</b>	–	–	–	<b>24</b>	<b>1 572</b>
Employee social benefits	1 548	–	–	24	–	–	–	24	1 572
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	–	–	–	<b>5 500</b>	–	–	–	<b>5 500</b>	<b>5 500</b>
Employee social benefits	–	–	–	5 500	–	–	–	5 500	5 500
<b>National Prosecuting Authority</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>7 818</b>	–	–	<b>(5 018)</b>	–	–	–	<b>(5 018)</b>	<b>2 800</b>
Safety and Security Sector Education and Training Authority	7 818	–	–	(5 018)	–	–	–	(5 018)	2 800
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>7 720</b>	–	–	<b>500</b>	–	–	–	<b>500</b>	<b>8 220</b>
Employee social benefits	7 720	–	–	500	–	–	–	500	8 220
<b>Auxiliary and Associated Services</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>1 594 044</b>	–	–	<b>40 800</b>	–	–	–	<b>40 800</b>	<b>1 634 844</b>
Legal Aid South Africa	1 465 908	–	–	38 800	–	–	–	38 800	1 504 708
South African Human Rights Commission	128 136	–	–	2 000	–	–	–	2 000	130 136

## Police

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>72 507 243</b>	<b>72 507 243</b>	-	-
<b>of which:</b>				
Current payments	68 924 443	68 766 458	(157 985)	-
Transfers and subsidies	737 145	852 032	-	114 887
Payments for capital assets	2 845 655	2 888 753	-	43 098
Executive authority	Minister of Police			
Accounting officer	National Commissioner of the South African Police Service			
Website address	www.saps.gov.za			

### Aim

*Prevent, combat and investigate crime, maintain public order, protect and secure the inhabitants of South Africa and their property, and uphold and enforce the law.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first three months of 2014/15 (April to June) <sup>1</sup>	Changed target for 2014/15
Number of serious crimes reported per year	Visible Policing	Outcome 3: All people in South Africa are and feel safe	1 718 191	- <sup>2</sup>	-
Total number of rural police stations implementing the minimum criteria of the rural safety strategy pillars	Visible Policing		50	117	-
Percentage of police stations rendering a victim friendly service to victims of rape, sexual offences and abuse	Visible Policing		100%	100% (1137/1137)	-
Percentage of crime-related hits reacted to as a result of the movement control system screening of: - wanted persons - circulated stolen or robbed vehicles	Visible Policing		100% 100%	100% (635 wanted persons) 100% (983 circulated stolen or robbed vehicles)	-
Percentage of medium to high-risk incidents stabilised in relation to requests received	Visible Policing		100%	100%	-
Detection rate for serious crimes per year	Detective Service		59%	25.67% (192 504/749 803)	-
Percentage of trial ready case dockets for serious crimes per year	Detective Service		54.84%	68.67% (258 103/375 840)	-
Conviction rate for serious crimes per year	Detective Services		88.80%	88.76% (84 383)	-
Percentage of trial ready case dockets for serious commercial crime related charges per year	Detective Service		44%	56.5%	-
Percentage of original previous conviction reports for formally charged individuals generated per year	Detective Service		93%	91.60% (271 647/296 553)	-
Number of network operations conducted	Crime Intelligence		32 507	7 818	-
Percentage of national key points evaluated in compliance with the National Key Points Act (1980)	Protection and Security Services		100% (197)	23% (46/197)	-

1. Only data for the first quarter has been included as the data for the second quarter was not available at the time of publication.

2. The indicator can only be measured at the end of the financial year.

### Mid-year progress

The South African Police Service is responsible for providing a victim friendly service to all victims of crime. As at the end of the first quarter, 1 137 (100 per cent) police stations were rendering victim friendly services to all victims of crime. These services include ensuring privacy for victims through facilities such as

victim friendly rooms; the referral of victims to medical, psychological and social services; and the provision of training to police personnel in order to enhance their competence in victim friendly service delivery. The operational environment for policing is characterised by the escalating number of public unrest incidents and the violent nature of these unrests. The number of public unrest incidents increased from 479 in the first quarter of 2013/14 to 568 at the end of the same period in 2014/15. Measures were implemented in the first quarter of 2014/15 to ensure that public order is effectively restored and that national stability is maintained. In this regard, the department was able to respond to all (100 per cent) medium to high risk incidents in the first quarter of 2014/15.

To address rural safety, a comprehensive rural safety strategy, which was approved by the Minister of Police in 2013, is currently being implemented. The strategy seeks to address rural safety as part of an integrated and holistic approach to day-to-day crime prevention, and by the end of the first quarter of 2014/15, the strategy was being implemented at 117 rural police stations, which represents higher performance than anticipated.

Until 2013/14, the calculation method for the detection rate, trial ready case dockets and the conviction rate for serious crimes included contact crime, contact related crime, property related crime, other serious crimes and crimes dependent on police action for detection. As of 2014/15, this calculation now excludes crimes dependent on police action for detection as these are now being measured separately. Taking into account this change in methodology for calculating these indicators, the planned targets for the performance indicators for 2014/15 therefore had to be revised as follows: 41 per cent for the detection rate, 68.5 per cent for trial ready case dockets for serious crimes and 87.61 per cent for the conviction rate for serious crimes.

The percentage of trial ready case dockets for serious crimes increased from 67.82 per cent as at the end of the first quarter in 2013/14 to 68.67 per cent in the same period in 2014/15. This improved performance was mainly due to enhanced capacity in the department's detective services environment, which allowed for the fast tracking and finalisation of investigations.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	15 304 042	-	-	-	-	-	-	-	15 304 042
Visible Policing	37 008 813	-	-	35 000	-	-	-	35 000	37 043 813
Detective Services	15 242 695	-	-	(109 700)	-	-	-	(109 700)	15 132 995
Crime Intelligence	2 880 793	-	-	-	-	-	-	-	2 880 793
Protection and Security Services	2 070 900	-	-	74 700	-	-	-	74 700	2 145 600
<b>Total</b>	<b>72 507 243</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72 507 243</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>68 924 443</b>	<b>-</b>	<b>-</b>	<b>(157 985)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(157 985)</b>	<b>68 766 458</b>
Compensation of employees	54 210 025	-	-	238 981	-	-	-	238 981	54 449 006
Goods and services	14 714 418	-	-	(396 966)	-	-	-	(396 966)	14 317 452
<b>Transfers and subsidies</b>	<b>737 145</b>	<b>-</b>	<b>-</b>	<b>114 887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114 887</b>	<b>852 032</b>
Provinces and municipalities	33 397	-	-	-	-	-	-	-	33 397
Departmental agencies and accounts	133 818	-	-	887	-	-	-	887	134 705
Non-profit institutions	1 000	-	-	-	-	-	-	-	1 000
Households	568 930	-	-	114 000	-	-	-	114 000	682 930
<b>Payments for capital assets</b>	<b>2 845 655</b>	<b>-</b>	<b>-</b>	<b>43 098</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43 098</b>	<b>2 888 753</b>
Buildings and other fixed structures	1 099 897	-	-	(115 000)	-	-	-	(115 000)	984 897
Machinery and equipment	1 745 488	-	-	152 998	-	-	-	152 998	1 898 486
Biological assets	270	-	-	5 100	-	-	-	5 100	5 370
<b>Total</b>	<b>72 507 243</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72 507 243</b>

**Programme 1: Administration**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Ministry	28 859	-	-	-	-	-	-	28 859	
Management	58 166	-	-	-	-	-	-	58 166	
Corporate Services	15 117 219	-	-	-	-	-	-	15 117 219	
Civilian Secretariat	99 798	-	-	-	-	-	-	99 798	
<b>Total</b>	<b>15 304 042</b>	-	-	-	-	-	-	<b>15 304 042</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>13 479 720</b>	-	-	<b>19 383</b>	-	-	-	<b>19 383</b>	
Compensation of employees	9 169 562	-	-	139 539	-	-	-	9 309 101	
Goods and services	4 310 158	-	-	(120 156)	-	-	-	4 190 002	
<b>Transfers and subsidies</b>	<b>468 389</b>	-	-	<b>89 887</b>	-	-	-	<b>558 276</b>	
Provinces and municipalities	5 410	-	-	-	-	-	-	5 410	
Departmental agencies and accounts	133 818	-	-	887	-	-	-	134 705	
Households	329 161	-	-	89 000	-	-	-	418 161	
<b>Payments for capital assets</b>	<b>1 355 933</b>	-	-	<b>(109 270)</b>	-	-	-	<b>1 246 663</b>	
Buildings and other fixed structures	1 099 897	-	-	(115 000)	-	-	-	984 897	
Machinery and equipment	255 766	-	-	630	-	-	-	256 396	
Biological assets	270	-	-	5 100	-	-	-	5 370	
<b>Total</b>	<b>15 304 042</b>	-	-	-	-	-	-	<b>15 304 042</b>	

**Programme 2: Visible Policing**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Crime Prevention	29 348 351	-	-	(63 000)	-	-	-	29 285 351	
Border Security	1 659 769	-	-	-	-	-	-	1 659 769	
Specialised Interventions	2 788 416	-	-	98 000	-	-	-	2 886 416	
Facilities	3 212 277	-	-	-	-	-	-	3 212 277	
<b>Total</b>	<b>37 008 813</b>	-	-	<b>35 000</b>	-	-	-	<b>37 043 813</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>35 883 837</b>	-	-	<b>10 000</b>	-	-	-	<b>35 893 837</b>	
Compensation of employees	28 881 477	-	-	134 442	-	-	-	29 015 919	
Goods and services	7 002 360	-	-	(124 442)	-	-	-	6 877 918	
<b>Transfers and subsidies</b>	<b>193 142</b>	-	-	<b>25 000</b>	-	-	-	<b>218 142</b>	
Provinces and municipalities	18 898	-	-	-	-	-	-	18 898	
Non-profit institutions	1 000	-	-	-	-	-	-	1 000	
Households	173 244	-	-	25 000	-	-	-	198 244	
<b>Payments for capital assets</b>	<b>931 834</b>	-	-	-	-	-	-	<b>931 834</b>	
Machinery and equipment	931 834	-	-	-	-	-	-	931 834	
<b>Total</b>	<b>37 008 813</b>	-	-	<b>35 000</b>	-	-	-	<b>37 043 813</b>	

**Programme 3: Detective Services**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Crime Investigations	10 273 653	-	-	(109 700)	-	-	-	10 163 953	
Criminal Record Centre	1 958 031	-	-	30 000	-	-	-	1 988 031	
Forensic Science Laboratory	1 637 692	-	-	-	-	-	-	1 637 692	
Specialised Investigations	1 373 319	-	-	(30 000)	-	-	-	1 343 319	
<b>Total</b>	<b>15 242 695</b>	-	-	<b>(109 700)</b>	-	-	-	<b>15 132 995</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>14 693 067</b>	-	-	<b>(262 068)</b>	-	-	-	<b>14 430 999</b>	
Compensation of employees	11 719 582	-	-	(113 968)	-	-	-	11 605 614	
Goods and services	2 973 485	-	-	(148 100)	-	-	-	2 825 385	
<b>Transfers and subsidies</b>	<b>61 266</b>	-	-	-	-	-	-	<b>61 266</b>	
Provinces and municipalities	7 559	-	-	-	-	-	-	7 559	
Households	53 707	-	-	-	-	-	-	53 707	
<b>Payments for capital assets</b>	<b>488 362</b>	-	-	<b>152 368</b>	-	-	-	<b>640 730</b>	
Machinery and equipment	488 362	-	-	152 368	-	-	-	640 730	
<b>Total</b>	<b>15 242 695</b>	-	-	<b>(109 700)</b>	-	-	-	<b>15 132 995</b>	

**Programme 4: Crime Intelligence**

Subprogramme	2014/15									
	Main appropriation	Adjustments appropriation							Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
Crime Intelligence Operations	1 214 622	-	-	-	-	-	-	-	1 214 622	
Intelligence and Information Management	1 666 171	-	-	-	-	-	-	-	1 666 171	
<b>Total</b>	<b>2 880 793</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 880 793</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>2 833 319</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 833 319</b>	
Compensation of employees	2 571 653	-	-	34 268	-	-	-	34 268	2 605 921	
Goods and services	261 666	-	-	(34 268)	-	-	-	(34 268)	227 398	
<b>Transfers and subsidies</b>	<b>9 832</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 832</b>	
Provinces and municipalities	850	-	-	-	-	-	-	-	850	
Households	8 982	-	-	-	-	-	-	-	8 982	
<b>Payments for capital assets</b>	<b>37 642</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37 642</b>	
Machinery and equipment	37 642	-	-	-	-	-	-	-	37 642	
<b>Total</b>	<b>2 880 793</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 880 793</b>	

**Programme 5: Protection and Security Services**

Subprogramme	2014/15									
	Main appropriation	Adjustments appropriation							Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
VIP Protection Services	816 422	-	-	83 260	-	-	-	83 260	899 682	
Static and Mobile Security	943 130	-	-	-	-	-	-	-	943 130	
Government Security Regulator	96 849	-	-	-	-	-	-	-	96 849	
Operational Support	214 499	-	-	(8 560)	-	-	-	(8 560)	205 939	
<b>Total</b>	<b>2 070 900</b>	<b>-</b>	<b>-</b>	<b>74 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74 700</b>	<b>2 145 600</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>2 034 500</b>	<b>-</b>	<b>-</b>	<b>74 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74 700</b>	<b>2 109 200</b>	
Compensation of employees	1 867 751	-	-	44 700	-	-	-	44 700	1 912 451	
Goods and services	166 749	-	-	30 000	-	-	-	30 000	196 749	
<b>Transfers and subsidies</b>	<b>4 516</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 516</b>	
Provinces and municipalities	680	-	-	-	-	-	-	-	680	
Households	3 836	-	-	-	-	-	-	-	3 836	
<b>Payments for capital assets</b>	<b>31 884</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31 884</b>	
Machinery and equipment	31 884	-	-	-	-	-	-	-	31 884	
<b>Total</b>	<b>2 070 900</b>	<b>-</b>	<b>-</b>	<b>74 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74 700</b>	<b>2 145 600</b>	

**Details of adjustments to the Estimates of National Expenditure 2014****Virements and shifts**

Programmes					
1. Administration					
2. Visible Policing					
3. Detective Services					
4. Crime Intelligence					
5. Protection and Security Services					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(235 156)</b>	<b>Programme 1</b>		<b>235 156</b>
Buildings and other fixed structures	Reallocation of projected underspending on buildings and other fixed structures due to delays in project implementation <sup>2</sup>	(115 000)	Compensation of employees	Higher than planned salary increases <sup>1</sup>	115 000
Goods and services	Reallocation of unspent funds mainly from computer services, agency and support services and property payments	(24 539)	Compensation of employees	Overtime payments to police personnel during the 2014 national elections, and higher than planned salary increases <sup>1</sup>	24 539

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Reallocation of unspent funds from travel and subsistence	(887)	Departmental agencies and accounts	Increased transfer to the Safety and Security Sector Education and Training Authority due to higher than anticipated increases on compensation of employees <sup>1</sup>	887
	Reallocation of unspent funds from communication	(630)	Machinery and equipment	Procurement of transport equipment for new office bearers	630
	Reallocation of unspent funds, mainly from computer services, agency and support services and property payments	(89 000)	Households	Higher than anticipated civil claims	89 000
	Reallocation of unspent funds mainly from computer services, agency and support services and property payments	(5 100)	Biological assets	Police dogs	5 100
Shifts within the programme as a percentage of the programme budget		1.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 2</b>		<b>(124 442)</b>	<b>Programme 2</b>		<b>124 442</b>
Goods and services	Reallocation of unspent funds, mainly from communication and property payments	(99 442)	Compensation of employees	Overtime payments to police personnel during the 2014 national elections and higher than planned salary increases <sup>1</sup>	99 442
	Reallocation of unspent funds, mainly from communication and property payments	(25 000)	Households	Leave gratuities	25 000
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 3</b>		<b>(296 336)</b>	<b>Programme 3</b>		<b>152 368</b>
Goods and services	Reallocation of unspent funds, mainly from computer services, communication and travel and subsistence	(152 368)	Machinery and equipment	Other machinery and equipment such as laboratory, photographic and security equipment to capacitate the Directorate for Priority Crime Investigations and the forensic services unit	152 368
	Reallocation of unspent funds mainly from computer services, communication and travel and subsistence	(30 000)	<b>Programme 5</b>		<b>30 000</b>
			Goods and services	Reallocation of funding, mainly to travel and subsistence due to an increase in the number of VIPs following the expansion of Cabinet	30 000
Compensation of employees	Reclassification due to incorrect classification in the 2014 ENE	(35 000)	<b>Programme 2</b>		<b>35 000</b>
	Reclassification due to incorrect classification in the 2014 ENE	(34 268)	Compensation of employees	Higher than planned salary increases <sup>1</sup>	35 000
	Reclassification due to incorrect classification in the 2014 ENE	(44 700)	<b>Programme 3</b>		<b>34 268</b>
			Goods and services	Higher than anticipated increases, mainly on fuel, oil and gas	34 268
			<b>Programme 5</b>		<b>44 700</b>
			Compensation of employees	Higher than planned salary increases <sup>1</sup>	44 700
Shifts within the programme as a percentage of the programme budget		1.2%			
Virements to other programmes as a percentage of the programme budget		0.7%			
<b>Programme 4</b>		<b>(34 268)</b>	<b>Programme 4</b>		<b>34 268</b>
Goods and services	Reallocation of unspent funds, mainly from communication, property payments and fuel, oil and gas	(34 268)	Compensation of employees	Higher than anticipated salary increases <sup>1</sup>	34 268
Shifts within the programme as a percentage of the programme budget		1.2%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(690 202)</b>			<b>690 202</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

**Expenditure outcome for 2013/14 and actual expenditure for 2014/15**

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
R thousand										
Administration	14 524 898	6 203 744	42.7	14 179 234	97.6	15 304 042	21.1	6 704 416	43.8	
Visible Policing	35 015 072	16 792 638	48.0	35 149 132	100.4	37 043 813	51.1	18 037 498	48.7	
Detective Services	14 550 921	6 759 288	46.5	14 704 048	101.1	15 132 995	20.9	7 080 234	46.8	
Crime Intelligence	2 735 608	1 321 587	48.3	2 740 027	100.2	2 880 793	4.0	1 421 798	49.4	
Protection and Security Services	1 964 927	981 206	49.9	2 018 957	102.7	2 145 600	3.0	1 075 882	50.1	
<b>Total</b>	<b>68 791 426</b>	<b>32 058 463</b>	<b>46.6</b>	<b>68 791 398</b>	<b>100.0</b>	<b>72 507 243</b>	<b>100.0</b>	<b>34 319 828</b>	<b>47.3</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>65 084 800</b>	<b>30 928 528</b>	<b>47.5</b>	<b>64 818 551</b>	<b>99.6</b>	<b>68 766 458</b>	<b>94.8</b>	<b>33 192 671</b>	<b>48.3</b>	
Compensation of employees	51 231 574	25 453 489	49.7	51 241 788	100.0	54 449 006	75.1	27 316 983	50.2	
Goods and services	13 853 226	5 475 039	39.5	13 576 763	98.0	14 317 452	19.7	5 875 688	41.0	
<b>Transfers and subsidies</b>	<b>639 565</b>	<b>397 993</b>	<b>62.2</b>	<b>812 823</b>	<b>127.1</b>	<b>852 032</b>	<b>1.2</b>	<b>407 203</b>	<b>47.8</b>	
Provinces and municipalities	27 958	14 925	53.4	34 593	123.7	33 397	0.0	17 217	51.6	
Departmental agencies and accounts	116 713	43 764	37.5	92 962	79.7	134 705	0.2	17 261	12.8	
Non-profit institutions	1 000	–	0.0	1 000	100.0	1 000	0.0	–	0.0	
Households	493 894	339 304	68.7	684 268	138.5	682 930	0.9	372 725	54.6	
<b>Payments for capital assets</b>	<b>3 067 061</b>	<b>728 226</b>	<b>23.7</b>	<b>3 146 394</b>	<b>102.6</b>	<b>2 888 753</b>	<b>4.0</b>	<b>712 951</b>	<b>24.7</b>	
Buildings and other fixed structures	1 036 884	265 157	25.6	868 094	83.7	984 897	1.4	214 289	21.8	
Machinery and equipment	2 029 917	463 069	22.8	2 278 062	112.2	1 898 486	2.6	498 580	26.3	
Biological assets	260	–	0.0	238	91.5	5 370	0.0	82	1.5	
<b>Payments for financial assets</b>	<b>–</b>	<b>3 716</b>	<b>0.0</b>	<b>13 630</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>7 003</b>	<b>0.0</b>	
<b>Total</b>	<b>68 791 426</b>	<b>32 058 463</b>	<b>46.6</b>	<b>68 791 398</b>	<b>100.0</b>	<b>72 507 243</b>	<b>100.0</b>	<b>34 319 828</b>	<b>47.3</b>	

**Expenditure trends for the first half of 2014/15**

Total expenditure in 2013/14 was 100 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R34.320 billion, or 47.3 per cent of the adjusted appropriation of R72.507 billion for the year. In comparison, mid-year expenditure in 2013/14 was R32.058 billion, or 46.6 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R2.261 billion, or 7.1 per cent. This was mainly due to additional funding allocated for improved conditions of service and the payment of higher than anticipated salary increases in 2014/15.



## Departmental receipts

R thousand	2013/14					2014/15				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	adjusted estimate % of	Apr 13 - Mar 14	adjusted estimate % of	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	adjusted estimate % of
<b>Departmental receipts</b>	<b>320 895</b>	<b>192 992</b>	<b>60.1</b>	<b>386 341</b>	<b>120.4</b>	<b>280 388</b>	<b>313 884</b>	<b>100.0</b>	<b>178 580</b>	<b>56.9</b>
Sales of goods and services produced by department	139 798	74 715	53.4	153 412	109.7	124 935	155 283	49.4	84 815	54.6
Sales of scrap, waste, arms and other used current goods	11 069	7 393	66.8	12 388	111.9	9 258	14 379	4.6	10 977	76.3
Fines, penalties and forfeits	15 850	13 882	87.6	50 563	319.0	13 960	13 830	4.4	10 263	74.2
Interest, dividends and rent on land	738	367	49.7	769	104.2	758	852	0.3	472	55.4
Sales of capital assets	1 848	1 756	95.0	3 757	203.3	1 263	4 625	1.5	4 390	94.9
Transactions in financial assets and liabilities	151 592	94 879	62.6	165 452	109.1	130 214	124 915	39.8	67 663	54.2
<b>Total</b>	<b>320 895</b>	<b>192 992</b>	<b>60.1</b>	<b>386 341</b>	<b>120.4</b>	<b>280 388</b>	<b>313 884</b>	<b>100.0</b>	<b>178 580</b>	<b>56.9</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R178.580 million, or 56.9 per cent of the adjusted revenue estimate of R313.884 million for the year. In comparison, mid-year revenue in 2013/14 was R192.992 million, or 60.1 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R14.412 million, or 7.5 per cent. This was mainly due to the recovery of less revenue from debt owed to the department than in the previous year, following a decline in the debt capital for 2014/15.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>34 020</b>	-	-	<b>887</b>	-	-	-	<b>887</b>	<b>34 907</b>
Safety and Security Sector	34 020	-	-	887	-	-	-	887	34 907
Education and Training Authority									
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	<b>185 062</b>	-	-	<b>89 000</b>	-	-	-	<b>89 000</b>	<b>274 062</b>
Claims against the state	185 062	-	-	89 000	-	-	-	89 000	274 062
<b>Visible Policing</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>124 804</b>	-	-	<b>25 000</b>	-	-	-	<b>25 000</b>	<b>149 804</b>
Employee social benefits	124 804	-	-	25 000	-	-	-	25 000	149 804



# Vote 26

## Agriculture, Forestry and Fisheries

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>6 692 383</b>	<b>6 692 383</b>	-	-
<b>of which:</b>				
Current payments	2 555 310	2 509 285	(46 025)	-
Transfers and subsidies	4 035 434	4 047 654	-	12 220
Payments for capital assets	101 639	135 444	-	33 805
Executive authority	Minister of Agriculture, Forestry and Fisheries			
Accounting officer	Director-General of Agriculture, Forestry and Fisheries			
Website address	www.daff.gov.za			

### Aim

*Lead, support and promote agricultural, forestry and fisheries resources management through policies, strategies and programmes to enhance sustainable use, and achieve economic growth, job creation, food security, rural development and transformation.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of livestock and plant improvement schemes monitored for effectiveness per year	Agricultural Production, Health and Food Safety	Outcome 7: Vibrant equitable and sustainable rural communities with food security for all	4	0	-
Number of surveillances on animal diseases conducted per year	Agricultural Production, Health and Food Safety		2	0	-
Number of surveillances on plant diseases conducted per year	Agricultural Production, Health and Food Safety		1	0	-
Number of veterinary clinics provided to improve animal health in rural areas per year	Agricultural Production, Health and Food Safety		32	16	-
Number of subsistence and smallholder producers supported per year	Food Security and Agrarian Reform		156 500	12 167	-
Number of hectares in underutilised areas cultivated for production per year	Food Security and Agrarian Reform		107 151ha	0	-
Number of smallholders linked to markets per year	Trade Promotion and Market access		18	0	-
Number of hectares of land restored through reforestation and land rehabilitation per year	Forestry	Outcome 10: Environment assets and natural resources that are well protected and continually enhanced	30 500ha	143.1ha <sup>1</sup>	-
Number of hectares of temporary unplanted areas per year	Forestry		2 300ha	155.7ha	-
Number of jobs created through refurbishment of category B and C plantations for expanded public works programme per year	Forestry	Outcome 4: Decent employment through inclusive economic growth	2 400	785	-
Number of LandCare jobs created per year	Forestry		900	252	-
Number of sectors allocated fishing rights to SMMEs per year	Fisheries	Outcome 10: Environment assets and natural resources that are well protected and continually enhanced	8	0	-

1. Data only available for the first quarter of 2014/15.

## Mid-year progress

In the first six months of 2014/15, smallholder producer enterprises received support in the form of advisory services, marketing and accessible financial support services. The producers also received training in crop and livestock production, and farm management. 12 167 producers received support in the first quarter of 2014/15 and it is expected that the annual target will be met.

Planting in underutilised areas on hectares to be cultivated for production will start in the rainy season in the third and fourth quarter of 2014/15. The planting on hectares of temporary unplanted areas is also planned to take place in the same period. In the first six months of 2014/15, 155 hectares were planted with 152 hectares planted in KwaZulu-Natal and 3 hectares in North West. It is expected that the annual target will be met once the planting season starts.

Before farmers are formally linked to marketing outlets, they need to be audited. While no producers were linked to markets in the period under review, pre-audits and audits were undertaken for 42 farms for the South African-Good Agriculture Practice certification scheme.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15							Adjusted appropriation	
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	694 570	-	-	24 333	-	-	-	24 333	718 903
Agricultural Production, Health and Food Safety	2 199 796	-	-	(12 695)	-	-	-	(12 695)	2 187 101
Food Security and Agrarian Reform	1 711 095	-	-	600	-	-	-	600	1 711 695
Trade Promotion and Market Access	294 223	-	-	4 030	-	-	-	4 030	298 253
Forestry	1 364 923	-	-	(16 268)	-	-	-	(16 268)	1 348 655
Fisheries	427 776	-	-	-	-	-	-	-	427 776
<b>Total</b>	<b>6 692 383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 692 383</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 555 310</b>	<b>-</b>	<b>-</b>	<b>(46 025)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(46 025)</b>	<b>2 509 285</b>
Compensation of employees	1 697 911	-	-	498	-	-	-	498	1 698 409
Goods and services	856 230	-	-	(46 704)	-	-	-	(46 704)	809 526
Interest and rent on land	1 169	-	-	181	-	-	-	181	1 350
<b>Transfers and subsidies</b>	<b>4 035 434</b>	<b>-</b>	<b>-</b>	<b>12 220</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 220</b>	<b>4 047 654</b>
Provinces and municipalities	2 390 078	-	-	22	-	-	-	22	2 390 100
Departmental agencies and accounts	1 354 597	-	-	1	-	-	-	1	1 354 598
Higher education institutions	7 072	-	-	(72)	-	-	-	(72)	7 000
Foreign governments and international organisations	34 700	-	-	4 030	-	-	-	4 030	38 730
Public corporations and private enterprises	220 177	-	-	1 800	-	-	-	1 800	221 977
Non-profit institutions	26 923	-	-	(100)	-	-	-	(100)	26 823
Households	1 887	-	-	6 539	-	-	-	6 539	8 426
<b>Payments for capital assets</b>	<b>101 639</b>	<b>-</b>	<b>-</b>	<b>33 805</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33 805</b>	<b>135 444</b>
Buildings and other fixed structures	42 701	-	-	(1 382)	-	-	-	(1 382)	41 319
Machinery and equipment	58 161	-	-	35 742	-	-	-	35 742	93 903
Biological assets	752	-	-	(580)	-	-	-	(580)	172
Software and other intangible assets	25	-	-	25	-	-	-	25	50
<b>Total</b>	<b>6 692 383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 692 383</b>

**Programme 1: Administration**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Ministry	31 887	-	-	2 506	-	-	-	2 506	34 393
Department Management	23 851	-	-	(18)	-	-	-	(18)	23 833
Financial Administration	150 341	-	-	19 198	-	-	-	19 198	169 539
Internal Audit	8 515	-	-	-	-	-	-	-	8 515
Corporate Services	159 000	-	-	(2 560)	-	-	-	(2 560)	156 440
Stakeholder Relations, Communication and Legal Services	74 779	-	-	1 055	-	-	-	1 055	75 834
Policy, Planning, Monitoring and Evaluation	79 503	-	-	3 660	-	-	-	3 660	83 163
Office Accommodation	166 694	-	-	492	-	-	-	492	167 186
<b>Total</b>	<b>694 570</b>	<b>-</b>	<b>-</b>	<b>24 333</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 333</b>	<b>718 903</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>670 373</b>	<b>-</b>	<b>-</b>	<b>19 751</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 751</b>	<b>690 124</b>
Compensation of employees	369 727	-	-	12 024	-	-	-	12 024	381 751
Goods and services	300 646	-	-	7 727	-	-	-	7 727	308 373
<b>Transfers and subsidies</b>	<b>16 795</b>	<b>-</b>	<b>-</b>	<b>191</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>191</b>	<b>16 986</b>
Provinces and municipalities	37	-	-	5	-	-	-	5	42
Departmental agencies and accounts	16 758	-	-	1	-	-	-	1	16 759
Households	-	-	-	185	-	-	-	185	185
<b>Payments for capital assets</b>	<b>7 402</b>	<b>-</b>	<b>-</b>	<b>4 391</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 391</b>	<b>11 793</b>
Buildings and other fixed structures	5 000	-	-	(2 500)	-	-	-	(2 500)	2 500
Machinery and equipment	2 402	-	-	6 891	-	-	-	6 891	9 293
<b>Total</b>	<b>694 570</b>	<b>-</b>	<b>-</b>	<b>24 333</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 333</b>	<b>718 903</b>

**Programme 2: Agricultural Production, Health and Food Safety**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Management	2 866	-	-	-	-	-	-	-	2 866
Inspection and Laboratory Services	315 530	-	-	(695)	-	-	-	(695)	314 835
Plant Production and Health	541 047	-	-	2 567	-	-	-	2 567	543 614
Animal Production and Health	311 202	-	-	(14 567)	-	-	-	(14 567)	296 635
Agricultural Research	1 029 151	-	-	-	-	-	-	-	1 029 151
<b>Total</b>	<b>2 199 796</b>	<b>-</b>	<b>-</b>	<b>(12 695)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12 695)</b>	<b>2 187 101</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>564 113</b>	<b>-</b>	<b>-</b>	<b>(27 704)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27 704)</b>	<b>536 409</b>
Compensation of employees	409 126	-	-	(96)	-	-	-	(96)	409 030
Goods and services	154 987	-	-	(27 608)	-	-	-	(27 608)	127 379
<b>Transfers and subsidies</b>	<b>1 627 286</b>	<b>-</b>	<b>-</b>	<b>134</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>134</b>	<b>1 627 420</b>
Provinces and municipalities	460 635	-	-	38	-	-	-	38	460 673
Departmental agencies and accounts	1 029 151	-	-	-	-	-	-	-	1 029 151
Public corporations and private enterprises	127 500	-	-	-	-	-	-	-	127 500
Non-profit institutions	10 000	-	-	-	-	-	-	-	10 000
Households	-	-	-	96	-	-	-	96	96
<b>Payments for capital assets</b>	<b>8 397</b>	<b>-</b>	<b>-</b>	<b>14 875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 875</b>	<b>23 272</b>
Machinery and equipment	8 397	-	-	14 875	-	-	-	14 875	23 272
<b>Total</b>	<b>2 199 796</b>	<b>-</b>	<b>-</b>	<b>(12 695)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12 695)</b>	<b>2 187 101</b>

**Programme 3: Food Security and Agrarian Reform**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management	2 796	-	-	-	-	-	-	-	2 796
Food Security	1 067 524	-	-	5 200	-	-	-	5 200	1 072 724
Sector Capacity Development	251 485	-	-	(4 600)	-	-	-	(4 600)	246 885
National Extension Support Services	389 290	-	-	-	-	-	-	-	389 290
<b>Total</b>	<b>1 711 095</b>	<b>-</b>	<b>-</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>600</b>	<b>1 711 695</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>274 335</b>	<b>-</b>	<b>-</b>	<b>(10 692)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 692)</b>	<b>263 643</b>
Compensation of employees	125 078	-	-	4 393	-	-	-	4 393	129 471
Goods and services	149 257	-	-	(15 085)	-	-	-	(15 085)	134 172
<b>Transfers and subsidies</b>	<b>1 396 241</b>	<b>-</b>	<b>-</b>	<b>2 650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 650</b>	<b>1 398 891</b>
Provinces and municipalities	1 367 061	-	-	15	-	-	-	15	1 367 076
Departmental agencies and accounts	16 527	-	-	-	-	-	-	-	16 527
Higher education institutions	4 750	-	-	(72)	-	-	-	(72)	4 678
Public corporations and private enterprises	3 621	-	-	1 800	-	-	-	1 800	5 421
Non-profit institutions	2 660	-	-	-	-	-	-	-	2 660
Households	1 622	-	-	907	-	-	-	907	2 529
<b>Payments for capital assets</b>	<b>40 519</b>	<b>-</b>	<b>-</b>	<b>8 642</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8 642</b>	<b>49 161</b>
Buildings and other fixed structures	37 701	-	-	418	-	-	-	418	38 119
Machinery and equipment	2 818	-	-	8 199	-	-	-	8 199	11 017
Software and other intangible assets	-	-	-	25	-	-	-	25	25
<b>Total</b>	<b>1 711 095</b>	<b>-</b>	<b>-</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>600</b>	<b>1 711 695</b>

**Programme 4: Trade Promotion and Market Access**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management	2 792	-	-	-	-	-	-	-	2 792
International Relations and Trade	117 156	-	-	4 930	-	-	-	4 930	122 086
Cooperatives and Rural Enterprise Development	118 014	-	-	(900)	-	-	-	(900)	117 114
Agro-processing and Marketing	56 261	-	-	-	-	-	-	-	56 261
<b>Total</b>	<b>294 223</b>	<b>-</b>	<b>-</b>	<b>4 030</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 030</b>	<b>298 253</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>132 235</b>	<b>-</b>	<b>-</b>	<b>(569)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(569)</b>	<b>131 666</b>
Compensation of employees	88 507	-	-	2 901	-	-	-	2 901	91 408
Goods and services	43 728	-	-	(3 470)	-	-	-	(3 470)	40 258
<b>Transfers and subsidies</b>	<b>161 606</b>	<b>-</b>	<b>-</b>	<b>4 416</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 416</b>	<b>166 022</b>
Provinces and municipalities	20	-	-	-	-	-	-	-	20
Departmental agencies and accounts	37 830	-	-	-	-	-	-	-	37 830
Foreign governments and international organisations	34 700	-	-	4 030	-	-	-	4 030	38 730
Public corporations and private enterprises	89 056	-	-	-	-	-	-	-	89 056
Households	-	-	-	386	-	-	-	386	386
<b>Payments for capital assets</b>	<b>382</b>	<b>-</b>	<b>-</b>	<b>183</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>183</b>	<b>565</b>
Machinery and equipment	357	-	-	183	-	-	-	183	540
Software and other intangible assets	25	-	-	-	-	-	-	-	25
<b>Total</b>	<b>294 223</b>	<b>-</b>	<b>-</b>	<b>4 030</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 030</b>	<b>298 253</b>

**Programme 5: Forestry**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management	6 580	-	-	-	-	-	-	-	6 580
Forestry Operations	485 182	-	-	(16 770)	-	-	-	(16 770)	468 412
Forestry Oversight and Regulation	58 995	-	-	(2 500)	-	-	-	(2 500)	56 495
Natural Resources Management	814 166	-	-	3 002	-	-	-	3 002	817 168
<b>Total</b>	<b>1 364 923</b>	<b>-</b>	<b>-</b>	<b>(16 268)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16 268)</b>	<b>1 348 655</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>737 809</b>	<b>-</b>	<b>-</b>	<b>(26 718)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(26 718)</b>	<b>711 091</b>
Compensation of employees	529 028	-	-	(18 631)	-	-	-	(18 631)	510 397
Goods and services	207 612	-	-	(8 268)	-	-	-	(8 268)	199 344
Interest and rent on land	1 169	-	-	181	-	-	-	181	1 350
<b>Transfers and subsidies</b>	<b>582 175</b>	<b>-</b>	<b>-</b>	<b>4 736</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 736</b>	<b>586 911</b>
Provinces and municipalities	562 325	-	-	(36)	-	-	-	(36)	562 289
Departmental agencies and accounts	3 000	-	-	-	-	-	-	-	3 000
Higher education institutions	2 322	-	-	-	-	-	-	-	2 322
Non-profit institutions	14 263	-	-	(100)	-	-	-	(100)	14 163
Households	265	-	-	4 872	-	-	-	4 872	5 137
<b>Payments for capital assets</b>	<b>44 939</b>	<b>-</b>	<b>-</b>	<b>5 714</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 714</b>	<b>50 653</b>
Buildings and other fixed structures	-	-	-	700	-	-	-	700	700
Machinery and equipment	44 187	-	-	5 594	-	-	-	5 594	49 781
Biological assets	752	-	-	(580)	-	-	-	(580)	172
<b>Total</b>	<b>1 364 923</b>	<b>-</b>	<b>-</b>	<b>(16 268)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16 268)</b>	<b>1 348 655</b>

**Programme 6: Fisheries**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management	2 065	-	-	-	-	-	-	-	2 065
Aquaculture	32 373	-	-	(1 538)	-	-	-	(1 538)	30 835
Monitoring Control and Surveillance	69 772	-	-	(477)	-	-	-	(477)	69 295
Marine Resources Management	18 648	-	-	489	-	-	-	489	19 137
Fisheries Research and Development	53 587	-	-	1 526	-	-	-	1 526	55 113
Marine Living Resources Fund	251 331	-	-	-	-	-	-	-	251 331
<b>Total</b>	<b>427 776</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>427 776</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>176 445</b>	<b>-</b>	<b>-</b>	<b>(93)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(93)</b>	<b>176 352</b>
Compensation of employees	176 445	-	-	(93)	-	-	-	(93)	176 352
<b>Transfers and subsidies</b>	<b>251 331</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>251 424</b>
Departmental agencies and accounts	251 331	-	-	-	-	-	-	-	251 331
Households	-	-	-	93	-	-	-	93	93
<b>Total</b>	<b>427 776</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>427 776</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

#### Programmes

1. Administration
2. Agricultural Production, Health and Food Safety
3. Food Security and Agrarian Reform
4. Trade Promotion and Market Access
5. Forestry
6. Fisheries

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(8 866)</b>	<b>Programme 1</b>		<b>4 391</b>
Goods and services	Reduction in spending on travel and subsistence; agency and outsourced services; venues and facilities; IT services; fleet services; communication; operating payments; catering; consumable supplies; advertising; business and advisory services, and administrative fees	(4 385)	Machinery and equipment	Computers and laptops, office equipment, lease of photocopiers and audio visual equipment, mobile clinics, air conditioners, and advertising boards	4 385
	Reduction in spending on printing <sup>1</sup>	(1)	Departmental agencies and accounts	Transfer to the Fibre Processing and Manufacturing Sector Education and Training Authority <sup>1</sup>	1
	Reduction in spending on IT services, communication, and operating payments	(5)	Provinces and municipalities	Vehicle licences	5
	Reduction in spending on business and advisory services <sup>1</sup>	(240)	<b>Programme 4</b>		<b>240</b>
			Foreign governments and international organisations	International membership fees <sup>1</sup>	240
Compensation of employees	Reduction in spending on salaries and wages	(185)	<b>Programme 1</b>		<b>4 235</b>
			Households	Leave gratuities	185
	Reduction in spending on salaries and wages	(1 550)	Goods and services	Business and advisory services, fleet services, lease of photocopiers, office equipment, and contractors	1 550
Buildings and other fixed structures	Reduction in spending on building upgrades <sup>1</sup>	(2 500)	Goods and services	Insufficient funds for property management <sup>1</sup>	2 500
Shifts within the programme as a percentage of the programme budget		1.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(27 704)</b>	<b>Programme 1</b>		<b>8 299</b>
Goods and services	Reduction in spending on assets worth less than the capitalisation threshold, IT services, and consumables <sup>1</sup>	(5 793)	Goods and services	Cleaning services; printing; business and advisory services, and security services for regional offices <sup>1</sup>	5 793
	Reduction in spending on assets worth less than capitalisation threshold <sup>1</sup>	(2 506)	Machinery and equipment	Vehicles <sup>1</sup>	2 506
	Reduction in spending on training and development; IT services; business and advisory services; entertainment, assets less than capitalisation threshold; venues and facilities; stationery, and operating payments	(14 875)	<b>Programme 2</b>		<b>14 913</b>
			Machinery and equipment	Computers and laptops; motor vehicles; kitchen appliances; computers; printers and laptops; lease of photocopiers; farm and agricultural equipment; pump and plumbing equipment; mobile clinics, and laboratory equipment	14 875



FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Reduction in spending on training and development; IT services; assets; venues and facilities; and stationery	(38)	Provinces and municipalities	Vehicle licences	38
	Reduction in spending on assets worth less than the capitalisation threshold <sup>1</sup>	(600)	<b>Programme 3</b>		<b>600</b>
	Reduction in spending on assets worth less than the capitalisation threshold <sup>1</sup>	(3 790)	Households	Prize money for Female Farmer of the Year awards <sup>1</sup>	600
	Reduction in spending on travel and subsistence <sup>1</sup>	(6)	<b>Programme 4</b>		<b>3 790</b>
	Reduction in spending on salaries and wages	(96)	Foreign governments and international organisations	International membership fees <sup>1</sup>	3 790
Compensation of employees	Reduction in spending on salaries and wages	(96)	<b>Programme 5</b>		<b>6</b>
			Goods and services	Insufficient funds for shared regional offices <sup>1</sup>	6
			<b>Programme 2</b>		<b>96</b>
			Households	Leave gratuities	96
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		0.6%			
<b>Programme 3</b>		<b>(16 021)</b>	<b>Programme 3</b>		<b>16 021</b>
Goods and services	Reduction in spending on agency and outsourced services and business and advisory services <sup>1</sup>	(5 000)	Compensation of employees	Internships <sup>1</sup>	5 000
	Reduction in spending on assets less than capitalisation threshold	(7 714)	Machinery and equipment	Kitchen appliances; office equipment and office furniture; lease of photocopiers; computers, laptops and tablets; motor vehicles; audiovisual equipment; farm and agricultural equipment; laboratory equipment; security equipment, and air conditioners	7 714
	Reduction in spending on travel and subsistence; IT services; assets worth less than the capitalisation threshold; and infrastructure and planning	(15)	Provinces and municipalities	Vehicle licences	15
	Reduction in spending on assets worth less than the capitalisation threshold	(603)	Buildings and other fixed structures	Capital projects; border fencing to contain foot-and-mouth disease, and the drilling of boreholes	603
	Reduction in spending on IT services	(25)	Software and other intangible assets	Software	25
	Reduction in spending on travel and subsistence <sup>1</sup>	(1 800)	Public corporations and private enterprises	Shortfall in the operational budget <sup>1</sup>	1 800
Compensation of employees	Reduction in spending on salaries and wages	(307)	Households	Leave gratuities	307
	Reduction in spending on salaries and wages	(300)	Machinery and equipment	Office furniture	300
Buildings and other fixed structures	Reduction in spending on capital projects for the drilling of boreholes	(185)	Machinery and equipment	Farm and agricultural equipment	185
Higher education institutions	Reduction in spending on transfer payment to the University of KwaZulu-Natal <sup>1</sup>	(72)	Goods and services	Travel and subsistence <sup>1</sup>	72
Shifts within the programme as a percentage of the programme budget		0.9%			
Virements to other programmes as a percentage of the programme budget		0.0%			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>			<b>Programme 4</b>		
Goods and services	Reclassification of funds due to changes in the standard chart of accounts <sup>1</sup>	(3 287)	Compensation of employees	Allowances paid to foreign agriculture attaches <sup>1</sup>	3 287
	Reduction in spending on agency and outsourced services; advertising; administrative fees; infrastructure and planning; and stationery	(183)	Machinery and equipment	Lease of photocopiers; linen and soft furnishing; learn/train equipment; desktop printing; equipment and laptops; printers, and audio visual equipment	183
Compensation of employees	Reduction in spending on salaries and wages	(386)	Households	Leave gratuities	386
Shifts within the programme as a percentage of the programme budget			1.3%		
<b>Virements to other programmes as a percentage of the programme budget</b>			<b>0.0%</b>		
<b>Programme 5</b>			<b>Programme 1</b>		
Goods and services	Reduction in spending on administrative fees; communication; and travel and subsistence related to the restructuring of the forestry support division <sup>1</sup>	(2 515)	Goods and services	Restructuring of the forestry support division <sup>1</sup>	2 515
	Reduction in spending on travel and subsistence; consumable supplies; advertising; business; advisory services, and assets worth less than the capitalisation threshold	(4 959)	<b>Programme 5</b>		
	Reduction in spending on consumable supplies; business and advisory services, and minor assets	(63)	Machinery and equipment	Computers; photocopiers leases; trucks and trailers; printers; motor vehicles and accessories; firefighting equipment, and vehicle leases	6 072
	Reduction in spending on assets worth less than the capitalisation threshold	(650)	Provinces and municipalities	Vehicle licences	63
	Reduction in spending on travel and subsistence <sup>1</sup>	(100)	Buildings and other fixed structures	New office buildings	650
	Reduction in spending on consumable supplies and on assets worth less than the capitalisation threshold	(300)	Non-profit institutions	Sixth forest science symposium <sup>1</sup>	100
			Interest and rent on land	Land rent	300
Compensation of employees	Restructuring in spending in forestry support division <sup>1</sup>	(13 759)	<b>Programme 1</b>		
			Compensation of employees	Restructuring of forestry support division <sup>1</sup>	13 759
			<b>Programme 5</b>		
	Reduction in spending on salaries and wages	(4 872)	Households	Leave gratuities	4 872
Biological assets	Reduction in spending on budget for fruit trees	(580)	Machinery and equipment	Firefighting equipment and vehicle leases	580
Interest and rent on land	Reduction in spending on land rent	(13)	Goods and services	Consumables	13
	Reduction in spending on land rent	(55)	Machinery and equipment	Firefighting equipment; and vehicle leases	55
	Reduction in spending on land rent	(1)	Provinces and municipalities	Vehicle licences	1
	Reduction in spending on land rent	(50)	Buildings and other fixed structures	New office buildings	50
Non-profit institutions	Reduction in spending on transfer payment to Food and Trees for Africa <sup>1</sup>	(200)	Goods and services	Business and advisory services <sup>1</sup>	200

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Provinces and municipalities	Reduction in spending on transfer payment to municipalities for annual competition to promote greening in municipal areas	(100)	Goods and services	Business and advisory services <sup>1</sup>	100
Shifts within the programme as a percentage of the programme budget		0.9%			
Virements to other programmes as a percentage of the programme budget		1.2%			
<b>Programme 6</b>		<b>(93)</b>	<b>Programme 6</b>		<b>93</b>
Compensation of employees	Reduction in spending on salaries and wages	(93)	Households	Leave gratuities	93
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(84 757)</b>			<b>84 757</b>

1. National Treasury approval has been obtained.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
Administration	670 880	292 960	43.7	681 583	101.6	718 903	10.7	341 481	47.5	
Agricultural Production, Health and Food Safety	2 036 519	1 092 264	53.6	2 000 946	98.3	2 187 101	32.7	1 182 662	54.1	
Food Security and Agrarian Reform	1 599 316	735 237	46.0	1 590 101	99.4	1 711 695	25.6	821 098	48.0	
Trade Promotion and Market Access	258 208	153 355	59.4	256 334	99.3	298 253	4.5	161 649	54.2	
Forestry	1 183 623	407 532	34.4	1 144 699	96.7	1 348 655	20.2	712 638	52.8	
Fisheries	433 736	220 152	50.8	437 650	100.9	427 776	6.4	221 239	51.7	
<b>Total</b>	<b>6 182 282</b>	<b>2 901 500</b>	<b>46.9</b>	<b>6 111 313</b>	<b>98.9</b>	<b>6 692 383</b>	<b>100.0</b>	<b>3 440 767</b>	<b>51.4</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>2 395 814</b>	<b>1 017 091</b>	<b>42.5</b>	<b>2 271 803</b>	<b>94.8</b>	<b>2 509 285</b>	<b>37.5</b>	<b>1 108 641</b>	<b>44.2</b>	
Compensation of employees	1 603 256	745 131	46.5	1 525 024	95.1	1 698 409	25.4	806 479	47.5	
Goods and services	791 397	271 879	34.4	746 426	94.3	809 526	12.1	302 162	37.3	
Interest and rent on land	1 161	81	7.0	353	30.4	1 350	0.0	-	0.0	
<b>Transfers and subsidies</b>	<b>3 639 349</b>	<b>1 819 127</b>	<b>50.0</b>	<b>3 637 949</b>	<b>100.0</b>	<b>4 047 654</b>	<b>60.5</b>	<b>2 272 282</b>	<b>56.1</b>	
Provinces and municipalities	2 152 915	858 008	39.9	2 149 701	99.9	2 390 100	35.7	1 212 610	50.7	
Departmental agencies and accounts	1 269 617	881 122	69.4	1 266 644	99.8	1 354 598	20.2	894 848	66.1	
Higher education institutions	5 808	2 807	48.3	2 807	48.3	7 000	0.1	3 000	42.9	
Foreign governments and international organisations	45 919	29 091	63.4	46 445	101.1	38 730	0.6	29 179	75.3	
Public corporations and private enterprises	139 399	36 189	26.0	140 111	100.5	221 977	3.3	101 027	45.5	
Non-profit institutions	20 318	6 673	32.8	19 026	93.6	26 823	0.4	19 921	74.3	
Households	5 373	5 237	97.5	13 215	246.0	8 426	0.1	11 697	138.8	
<b>Payments for capital assets</b>	<b>147 119</b>	<b>64 110</b>	<b>43.6</b>	<b>200 206</b>	<b>136.1</b>	<b>135 444</b>	<b>2.0</b>	<b>59 742</b>	<b>44.1</b>	
Buildings and other fixed structures	37 698	15 940	42.3	55 694	147.7	41 319	0.6	20 311	49.2	
Machinery and equipment	107 638	46 904	43.6	143 017	132.9	93 903	1.4	39 431	42.0	
Biological assets	504	180	35.7	76	15.1	172	0.0	-	0.0	
Software and other intangible assets	1 279	1 086	84.9	1 419	110.9	50	0.0	-	0.0	
<b>Payments for financial assets</b>	<b>-</b>	<b>1 172</b>	<b>0.0</b>	<b>1 355</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>102</b>	<b>0.0</b>	
<b>Total</b>	<b>6 182 282</b>	<b>2 901 500</b>	<b>46.9</b>	<b>6 111 313</b>	<b>98.9</b>	<b>6 692 383</b>	<b>100.0</b>	<b>3 440 767</b>	<b>51.4</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 98.9 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R3.441 billion or 51.4 per cent of the adjusted appropriation of R6.692 billion for the year. In comparison, mid-year expenditure in 2013/14 was R2.902 billion, or 46.9 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R539.267 million, or 18.6 per cent. This was mainly due to increases in compensation of employees, office accommodation payments, the comprehensive agricultural support programme, and transfer payments to the Agricultural Research Council and the Onderstepoort Biological Products.

### Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>383 835</b>	<b>314 299</b>	<b>81.9</b>	<b>809 584</b>	<b>210.9</b>	<b>159 918</b>	<b>186 116</b>	<b>100.0</b>	<b>96 013</b>	<b>51.6</b>
Sales of goods and services produced by department	126 914	82 315	64.9	153 690	121.1	124 472	150 670	81.0	88 987	59.1
Sales of scrap, waste, arms and other used current goods	9	2	22.2	28	311.1	9	9	0.0	3	33.3
Transfers received	121	47	38.8	173	143.0	127	127	0.0	119	93.7
Fines, penalties and forfeits	50	23	46.0	49	98.0	29	29	0.0	14	48.3
Interest, dividends and rent on land	14 695	3 542	24.1	8 236	56.0	16 538	16 538	8.9	3 500	21.2
Sales of capital assets	–	–	0.0	757	0.0	1 103	1 103	0.6	–	0.0
Transactions in financial assets and liabilities	242 046	228 370	94.3	646 651	267.2	17 640	17 640	9.5	3 390	19.2
<b>Total</b>	<b>383 835</b>	<b>314 299</b>	<b>81.9</b>	<b>809 584</b>	<b>210.9</b>	<b>159 918</b>	<b>186 116</b>	<b>100.0</b>	<b>96 013</b>	<b>51.6</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R96.013 million, or 51.6 per cent of the adjusted revenue estimate of R186.116 million for the year. In comparison, mid-year revenue in 2013/14 was R314.299 million, or 81.9 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R218.286 million, or 69.5 per cent. This was mainly due to refunds of an unspent R637.208 million for conditional grants from provincial departments, the Land Bank flood relief scheme, and the Micro-Agricultural Finance Institution of South Africa funds.

### Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15 Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration									
Provinces and municipalities									
Municipalities									
Municipal bank accounts									
Current	37	–	–	5	–	–	–	5	42
Vehicle licences	37	–	–	5	–	–	–	5	42

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

R thousand	2014/15							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>1 716</b>	-	-	<b>1</b>	-	-	-	<b>1</b>	<b>1 717</b>
Primary Agriculture Sector Education and Training Authority	1 716	-	-	(815)	-	-	-	(815)	901
Public Service Sector Education and Training Authority	-	-	-	370	-	-	-	370	370
Fibre Processing and Manufacturing Sector Education and Training Authority	-	-	-	446	-	-	-	446	446
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>185</b>	-	-	-	<b>185</b>	<b>185</b>
Employee social benefits	-	-	-	185	-	-	-	185	185
<b>Agricultural Production, Health and Food Safety</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	<b>10</b>	-	-	<b>38</b>	-	-	-	<b>38</b>	<b>48</b>
Vehicle licences	10	-	-	38	-	-	-	38	48
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>96</b>	-	-	-	<b>96</b>	<b>96</b>
Employee social benefits	-	-	-	96	-	-	-	96	96
<b>Food Security and Agrarian Reform</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	<b>214</b>	-	-	<b>15</b>	-	-	-	<b>15</b>	<b>229</b>
Vehicle licences	214	-	-	15	-	-	-	15	229
<b>Higher education institutions</b>									
<b>Current</b>	<b>750</b>	-	-	<b>(72)</b>	-	-	-	<b>(72)</b>	<b>678</b>
University of KwaZulu-Natal	750	-	-	(72)	-	-	-	(72)	678
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	<b>3 620</b>	-	-	<b>1 800</b>	-	-	-	<b>1 800</b>	<b>5 420</b>
Ncera Farms (Pty) Limited	3 620	-	-	1 800	-	-	-	1 800	5 420
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>131</b>	-	-	<b>307</b>	-	-	-	<b>307</b>	<b>438</b>
Employee social benefits	131	-	-	307	-	-	-	307	438
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	<b>100</b>	-	-	<b>600</b>	-	-	-	<b>600</b>	<b>700</b>
Female Farmer of the Year awards	100	-	-	600	-	-	-	600	700

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Trade Promotion and Market Access</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	<b>31 952</b>	-	-	<b>4 030</b>	-	-	-	<b>4 030</b>	<b>35 982</b>
Consultative Group on International Agricultural Research	6 380	-	-	1 300	-	-	-	1 300	7 680
International Union for the Protection of New Varieties of Plants	530	-	-	109	-	-	-	109	639
Commonwealth Agricultural Bureau International	210	-	-	53	-	-	-	53	263
Food and Agriculture Organisation of the United Nations	22 426	-	-	1 380	-	-	-	1 380	23 806
International Cotton Advisory Council	210	-	-	530	-	-	-	530	740
International Grains Council	185	-	-	15	-	-	-	15	200
International Seed Testing Association	80	-	-	15	-	-	-	15	95
International Organisation of Vine and Wine	645	-	-	163	-	-	-	163	808
World Organisation for Animal Health	1 221	-	-	129	-	-	-	129	1 350
Organisation for Economic Cooperation and Development	65	-	-	336	-	-	-	336	401
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>386</b>	-	-	-	<b>386</b>	<b>386</b>
Employee social benefits	-	-	-	386	-	-	-	386	386
<b>Forestry</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	<b>727</b>	-	-	<b>(36)</b>	-	-	-	<b>(36)</b>	<b>691</b>
Vehicle licences	127	-	-	64	-	-	-	64	191
Forestry Arbor City Awards	600	-	-	(100)	-	-	-	(100)	500
<b>Non-profit institutions</b>									
<b>Current</b>	<b>400</b>	-	-	<b>(100)</b>	-	-	-	<b>(100)</b>	<b>300</b>
Food and Trees for Africa	400	-	-	(200)	-	-	-	(200)	200
Centre for International Forestry Research	-	-	-	100	-	-	-	100	100
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>265</b>	-	-	<b>4 872</b>	-	-	-	<b>4 872</b>	<b>5 137</b>
Employee social benefits	265	-	-	4 872	-	-	-	4 872	5 137
<b>Fisheries</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	<b>93</b>	-	-	-	<b>93</b>	<b>93</b>
Employee social benefits	-	-	-	93	-	-	-	93	93

## Communications

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 593 427</b>	<b>2 236 657</b>	–	643 230
<b>of which:</b>				
Current payments	503 438	524 668	–	21 230
Transfers and subsidies	1 084 520	1 704 520	–	620 000
Payments for capital assets	5 469	7 469	–	2 000
Executive authority	Minister of Communications			
Accounting officer	Director-General of Communications			
Website address	www.doc.gov.za			

### Aim

*Develop information and communication technology (ICT) policies and legislation that create favourable conditions for accelerated and shared sustainable economic growth that positively impacts on the wellbeing of all South Africans.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, all telecommunications and postal services functions and staff will be transferred from the Department of Communications to the new Department of Telecommunications and Postal Services. The oversight function for Broadband Infraco will shift to this department from the Department of Public Enterprises, and the department will take over the oversight responsibility of the State Information Technology Agency from the Department of Public Service and Administration. These changes will be effected in the 2015 ENE process.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of ICT position papers developed for international engagements per year	International Affairs	Outcome 6: An efficient, competitive and responsive economic infrastructure network	5	2	–
Number of community radio stations provided with broadcasting infrastructure per year	Policy, Research and Capacity Development		5	5	–
Number of content and business profiles loaded into the e-commerce platform per year	ICT Enterprise Development and State Owned Enterprise Oversight		60	0	–
Number of set top boxes to be produced per year	Infrastructure Support		676 000	0	–
Number of television transmitter sites switched off national per year	Infrastructure Support		63	0	–

### Mid-year progress

The department achieved the target of installing relevant broadcasting infrastructure in 5 identified community radio stations in the first half of 2014/15. These are: Radio Maputalani in Jozini, Radio Good News in Durban, Radio Valley FM in Western Cape, Radio KC in Western Cape and Radio Vaaltar FM in Taung.

The indicators relating to content and business profiles loaded onto e-commerce platforms and the number of television transmitter sites switched off, will be discontinued as it is not currently a priority.

The protracted court case on the set top box control mechanism initiated by some broadcasters and manufacturers has resulted in no production of set top box and no switching-off of television transmitter sites in the first six months of the financial year. Through the ministry, the department is in the process of engaging with relevant stakeholders to agree on the way forward.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	216 399	-	-	14 000	-	-	-	14 000	230 399
International Affairs	36 817	-	-	-	-	-	-	-	36 817
Policy, Research and Capacity Development	98 029	-	-	23 000	-	-	-	23 000	121 029
ICT Enterprise	719 182	-	23 230	-	-	-	-	23 230	742 412
Development and State Owned Enterprise Oversight	523 000	-	-	(37 000)	-	-	620 000	583 000	1 106 000
<b>Total</b>	<b>1 593 427</b>	<b>-</b>	<b>23 230</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>620 000</b>	<b>643 230</b>	<b>2 236 657</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>503 438</b>	<b>-</b>	<b>23 230</b>	<b>(2 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21 230</b>	<b>524 668</b>
Compensation of employees	204 599	-	-	-	-	-	-	-	204 599
Goods and services	298 839	-	23 230	(2 000)	-	-	-	21 230	320 069
<b>Transfers and subsidies</b>	<b>1 084 520</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>620 000</b>	<b>620 000</b>	<b>1 704 520</b>
Departmental agencies and accounts	771 386	-	-	-	-	-	551 000	551 000	1 322 386
Foreign governments and international organisations	16 161	-	-	-	-	-	-	-	16 161
Public corporations and private enterprises	296 973	-	-	-	-	-	69 000	69 000	365 973
<b>Payments for capital assets</b>	<b>5 469</b>	<b>-</b>	<b>-</b>	<b>2 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 000</b>	<b>7 469</b>
Machinery and equipment	5 469	-	-	-	-	-	-	-	5 469
Software and other intangible assets	-	-	-	2 000	-	-	-	2 000	2 000
<b>Total</b>	<b>1 593 427</b>	<b>-</b>	<b>23 230</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>620 000</b>	<b>643 230</b>	<b>2 236 657</b>

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Ministry	4 103	-	-	-	-	-	-	-	4 103
Departmental Management	34 372	-	-	6 000	-	-	-	6 000	40 372
Internal Audit	4 510	-	-	2 000	-	-	-	2 000	6 510
Corporate Services	102 228	-	-	6 000	-	-	-	6 000	108 228
Financial Management	62 455	-	-	-	-	-	-	-	62 455
Office Accommodation	8 731	-	-	-	-	-	-	-	8 731
<b>Total</b>	<b>216 399</b>	<b>-</b>	<b>-</b>	<b>14 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 000</b>	<b>230 399</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>214 346</b>	<b>-</b>	<b>-</b>	<b>12 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 000</b>	<b>226 346</b>
Compensation of employees	88 801	-	-	-	-	-	-	-	88 801
Goods and services	125 545	-	-	12 000	-	-	-	12 000	137 545



**Programme 1: Administration (continued)**

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Transfers and subsidies</b>	<b>264</b>	-	-	-	-	-	-	-	<b>264</b>
Departmental agencies and accounts	264	-	-	-	-	-	-	-	264
<b>Payments for capital assets</b>	<b>1 789</b>	-	-	<b>2 000</b>	-	-	-	<b>2 000</b>	<b>3 789</b>
Machinery and equipment	1 789	-	-	-	-	-	-	-	1 789
Software and other intangible assets	-	-	-	2 000	-	-	-	2 000	2 000
<b>Total</b>	<b>216 399</b>	-	-	<b>14 000</b>	-	-	-	<b>14 000</b>	<b>230 399</b>

**Programme 3: Policy, Research and Capacity Development**

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
ICT Policy Development	31 054	-	-	3 000	-	-	-	3 000	34 054
Economic and Market Analysis	1 295	-	-	-	-	-	-	-	1 295
Research	8 540	-	-	-	-	-	-	-	8 540
Information Society Development	42 862	-	-	5 000	-	-	-	5 000	47 862
Capacity Development	14 278	-	-	15 000	-	-	-	15 000	29 278
<b>Total</b>	<b>98 029</b>	-	-	<b>23 000</b>	-	-	-	<b>23 000</b>	<b>121 029</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>96 882</b>	-	-	<b>23 000</b>	-	-	-	<b>23 000</b>	<b>119 882</b>
Compensation of employees	63 175	-	-	-	-	-	-	-	63 175
Goods and services	33 707	-	-	23 000	-	-	-	23 000	56 707
<b>Payments for capital assets</b>	<b>1 147</b>	-	-	-	-	-	-	-	<b>1 147</b>
Machinery and equipment	1 147	-	-	-	-	-	-	-	1 147
<b>Total</b>	<b>98 029</b>	-	-	<b>23 000</b>	-	-	-	<b>23 000</b>	<b>121 029</b>

**Programme 4: ICT Enterprise Development and State Owned Enterprise Oversight**

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Public Entity Oversight	704 573	-	23 230	-	-	-	-	23 230	727 803
Small Medium and Micro Enterprise Development	6 311	-	-	-	-	-	-	-	6 311
ICT Support	8 298	-	-	-	-	-	-	-	8 298
<b>Total</b>	<b>719 182</b>	-	<b>23 230</b>	-	-	-	-	<b>23 230</b>	<b>742 412</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>22 287</b>	-	<b>23 230</b>	-	-	-	-	<b>23 230</b>	<b>45 517</b>
Compensation of employees	10 694	-	-	-	-	-	-	-	10 694
Goods and services	11 593	-	23 230	-	-	-	-	23 230	34 823
<b>Transfers and subsidies</b>	<b>696 290</b>	-	-	-	-	-	-	-	<b>696 290</b>
Departmental agencies and accounts	531 122	-	-	-	-	-	-	-	531 122
Public corporations and private enterprises	165 168	-	-	-	-	-	-	-	165 168
<b>Payments for capital assets</b>	<b>605</b>	-	-	-	-	-	-	-	<b>605</b>
Machinery and equipment	605	-	-	-	-	-	-	-	605
<b>Total</b>	<b>719 182</b>	-	<b>23 230</b>	-	-	-	-	<b>23 230</b>	<b>742 412</b>

**Programme 5: ICT Infrastructure Support**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
Broadband	68 231	-	-	-	-	-	-	-	68 231
Digital Terrestrial Television	454 769	-	-	(37 000)	-	-	620 000	583 000	1 037 769
<b>Total</b>	<b>523 000</b>	<b>-</b>	<b>-</b>	<b>(37 000)</b>	<b>-</b>	<b>-</b>	<b>620 000</b>	<b>583 000</b>	<b>1 106 000</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>149 836</b>	<b>-</b>	<b>-</b>	<b>(37 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(37 000)</b>	<b>112 836</b>
Compensation of employees	28 902	-	-	-	-	-	-	-	28 902
Goods and services	120 934	-	-	(37 000)	-	-	-	(37 000)	83 934
<b>Transfers and subsidies</b>	<b>371 805</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>620 000</b>	<b>620 000</b>	<b>991 805</b>
Departmental agencies and accounts	240 000	-	-	-	-	-	551 000	551 000	791 000
Public corporations and private enterprises	131 805	-	-	-	-	-	69 000	69 000	200 805
<b>Payments for capital assets</b>	<b>1 359</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 359</b>
Machinery and equipment	1 359	-	-	-	-	-	-	-	1 359
<b>Total</b>	<b>523 000</b>	<b>-</b>	<b>-</b>	<b>(37 000)</b>	<b>-</b>	<b>-</b>	<b>620 000</b>	<b>583 000</b>	<b>1 106 000</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Unforeseeable and unavoidable expenditure – R23.230 million**

## Programme 4: ICT Enterprise Development and State Owned Enterprise Oversight

The department has been allocated an additional R23.230 million to reimburse Telkom and Sentech for expenses incurred for the services provided during the state funeral of the late former President Nelson Mandela. Sentech has been allocated an additional R18.654 million for satellite connectivity and broadcast services, while Telkom received an additional R4.576 million for telecommunications network services.

**Virements and shifts****Programmes**

- Administration
- International Affairs
- Policy, Research and Capacity Development
- ICT Enterprise Development and State Owned Enterprise Oversight
- ICT Infrastructure Support

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>		<b>(37 000)</b>	<b>Programme 1</b>		<b>14 000</b>
Goods and services	Reduced spending on contractors due to delays in implementing the digital terrestrial television call centre	(2 000)	Software and other intangible assets	Auditing software	2 000
	Reduced spending on consultants due to delays in implementing the digital terrestrial television call centre	(12 000)	Goods and services	Upgrading of the department's IT infrastructure and the provision of support for the ICT policy review process	12 000
	Reduced spending on consultants due to delays in implementing the digital terrestrial television call centre	(23 000)	<b>Programme 3</b>		<b>23 000</b>
			Goods and services	Establishment of e-skills co-labs, contracting of the service provider to undertake the national roaming study, and the implementation of information society and development projects	23 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		7.1%			
<b>Total</b>		<b>(37 000)</b>	<b>37 000</b>		

## Other adjustments – R620 million

### Appropriation of expenditure earmarked in the 2014 Budget speech for future allocation

#### Programme 5: ICT Infrastructure Support

R620 million was announced in the 2014 Budget speech to support the broadcast digital migration programme to be appropriated in the adjusted appropriations budget. An additional R551 million has been allocated to the Universal Services and Access Fund to cover the costs of the broadcast digital migration project. An additional R69 million has been allocated to Sentech to cover the dual illumination costs relating to the digital migration project.

### Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
R thousand										
Administration	216 066	134 003	62.0	210 444	97.4	230 399	10.3	105 307	45.7	
International Affairs	33 271	13 057	39.2	41 405	124.4	36 817	1.6	11 324	30.8	
Policy, Research and Capacity Development	89 398	48 673	54.4	88 793	99.3	121 029	5.4	43 717	36.1	
ICT Enterprise Development and State Owned Enterprise Oversight	761 143	481 318	63.2	1 062 749	139.6	742 412	33.2	374 768	50.5	
ICT Infrastructure Support	1 272 239	330 893	26.0	959 395	75.4	1 106 000	49.4	336 914	30.5	
<b>Total</b>	<b>2 372 117</b>	<b>1 007 944</b>	<b>42.5</b>	<b>2 362 786</b>	<b>99.6</b>	<b>2 236 657</b>	<b>100.0</b>	<b>872 030</b>	<b>39.0</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>759 995</b>	<b>232 791</b>	<b>30.6</b>	<b>758 730</b>	<b>99.8</b>	<b>524 668</b>	<b>23.5</b>	<b>176 567</b>	<b>33.7</b>	
Compensation of employees	194 995	84 625	43.4	169 682	87.0	204 599	9.1	91 463	44.7	
Goods and services	565 000	148 163	26.2	589 042	104.3	320 069	14.3	85 098	26.6	
Interest and rent on land	–	3	0.0	6	0.0	–	0.0	6	0.0	
<b>Transfers and subsidies</b>	<b>1 606 960</b>	<b>773 137</b>	<b>48.1</b>	<b>1 600 775</b>	<b>99.6</b>	<b>1 704 520</b>	<b>76.2</b>	<b>692 782</b>	<b>40.6</b>	
Provinces and municipalities	–	6	0.0	9	0.0	–	0.0	6	0.0	
Departmental agencies and accounts	788 375	398 429	50.5	786 547	99.8	1 322 386	59.1	527 565	39.9	
Foreign governments and international organisations	16 161	853	5.3	20 902	129.3	16 161	0.7	1 285	8.0	
Public corporations and private enterprises	802 424	373 178	46.5	791 920	98.7	365 973	16.4	163 699	44.7	
Non-profit institutions	–	399	0.0	399	0.0	–	0.0	–	0.0	
Households	–	272	0.0	998	0.0	–	0.0	227	0.0	
<b>Payments for capital assets</b>	<b>5 162</b>	<b>1 575</b>	<b>30.5</b>	<b>2 726</b>	<b>52.8</b>	<b>7 469</b>	<b>0.3</b>	<b>2 541</b>	<b>34.0</b>	
Machinery and equipment	5 162	1 503	29.1	2 654	51.4	5 469	0.2	2 392	43.7	
Software and other intangible assets	–	72	0.0	72	0.0	2 000	0.1	149	7.5	
<b>Payments for financial assets</b>	<b>–</b>	<b>441</b>	<b>0.0</b>	<b>555</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>140</b>	<b>0.0</b>	
<b>Total</b>	<b>2 372 117</b>	<b>1 007 944</b>	<b>42.5</b>	<b>2 362 786</b>	<b>99.6</b>	<b>2 236 657</b>	<b>100.0</b>	<b>872 030</b>	<b>39.0</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.6 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R872.030 million, or 39 per cent of the adjusted appropriation of R2.237 billion for the year. In comparison, mid-year expenditure in 2013/14 was R1.008 billion, or

42.5 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R135.914 million, or 13.5 per cent. This was mainly due to the decrease in expenditure on goods and services as the digital terrestrial television awareness campaign has been put on hold, while the ICT review process will be completed later in the year. The smaller allocation for Sentech in 2014/15 explains the lower expenditure on transfers and subsidies relative the same period in 2013/14.

## Departmental receipts

R thousand	2013/14					2014/15				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>3 044 645</b>	<b>1 563 931</b>	<b>51.4</b>	<b>1 711 942</b>	<b>56.2</b>	<b>2 993 946</b>	<b>1 746 809</b>	<b>100.0</b>	<b>893 707</b>	<b>51.2</b>
Sales of goods and services produced by department	1 374 373	671 485	48.9	123	0.0	974 948	60	0.0	21	35.0
Transfers received	–	–	0.0	–	0.0	–	728	0.0	728	100.0
Interest, dividends and rent on land	1 669 372	891 598	53.4	1 710 831	102.5	2 018 717	1 744 509	99.9	891 599	51.1
Transactions in financial assets and liabilities	900	848	94.2	988	109.8	281	1 512	0.1	1 359	89.9
<b>National Revenue Fund receipts</b>	<b>390 355</b>	<b>390 355</b>	<b>100.0</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>
Independent Communications Authority of South Africa	8 795	8 795	100.0	–	0.0	–	–	0.0	–	0.0
2010 FIFA close-up project	381 560	381 560	100.0	–	0.0	–	–	0.0	–	0.0
<b>Total</b>	<b>3 435 000</b>	<b>1 954 286</b>	<b>56.9</b>	<b>1 711 942</b>	<b>49.8</b>	<b>2 993 946</b>	<b>1 746 809</b>	<b>100.0</b>	<b>893 707</b>	<b>51.2</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R893.707 million, or 51.2 per cent of the adjusted revenue estimate of R1.747 billion for the year. In comparison, mid-year revenue in 2013/14 was R1.564 billion, or 51.4 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R670.224 million, or 42.9 per cent. This was mainly due to the decrease in administration fees, as the revenue collected by and received from the Independent Communications Authority of South Africa is no longer recognised as the department's own revenue, in terms of a directive from National Treasury.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15						Total adjustments appropriation	Adjusted appropriation
		Adjustments appropriation							
		Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>ICT Infrastructure Support</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>240 000</b>	–	–	–	–	–	<b>551 000</b>	<b>551 000</b>	<b>791 000</b>
Universal Service and Access Fund: Broadcasting digital migration	240 000	–	–	–	–	–	551 000	551 000	791 000
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Capital</b>	–	–	–	–	–	–	<b>69 000</b>	<b>69 000</b>	<b>69 000</b>
Sentech: Digital terrestrial television (dual illumination)	–	–	–	–	–	–	69 000	69 000	69 000

## Economic Development

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>696 860</b>	<b>696 860</b>	-	-
<b>of which:</b>				
Current payments	160 775	131 955	(28 820)	-
Transfers and subsidies	533 892	560 456	-	26 564
Payments for capital assets	2 193	4 449	-	2 256
Executive authority	Minister of Economic Development			
Accounting officer	Director-General of Economic Development			
Website address	www.economic.gov.za			

### Aim

*Promote economic development policy formulation and planning for the benefit of all South Africans.*

### Mid-year performance status

Indicator <sup>1</sup>	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed estimate for 2014/15
Number of reports to Cabinet on progress towards outcome 4 per year	Economic Policy Development	Outcome 4: Decent employment through inclusive economic growth	4	1 <sup>2</sup>	-
Number of reports on the impact of new growth path on women, youth and rural people evaluated and improved per year	Economic Policy Development		3	2	-
Number of strategic engagements with development finance institutions per year	Economic Planning and Coordination		6	1 <sup>2</sup>	-
Number of economic development initiatives coordinated and facilitated per year	Economic Planning and Coordination		20	13	-
Number of project reviews for strategic integrated construction projects per year	Economic Planning and Coordination		60	24	-
Number of infrastructure projects unblocked per year	Economic Planning and Coordination		8	5	-
Number of interventions to grow the green economy per year	Economic Planning and Coordination		6	1	-
Number of monitoring reports and strategies developed to improve implementation of accords per year	Economic Development and Dialogue		4	3	-
Number of capacity building projects for social partners on the new growth path per year	Economic Development and Dialogue		8	1	-

1. The Annual Performance Plan for 2014/15 was revised in the new administration and includes refined key performance indicators that will be reported on from the second quarter of the 2014/15 financial year.

2. Data only available for the first quarter of 2014/15.

### Mid-year progress

24 strategic infrastructure project reports were reviewed and completed for the period under review and the department is on track to reach the target. The minister has quarterly strategic engagements with development finance institutions to provide guidance and oversight. By the end of 2014/15, 4 strategic engagements will have been conducted.

The outcome 4 reports to Cabinet are submitted quarterly and this target will be achieved by the end of 2014/15. The number of interventions to grow the green economy was low in the first half of 2014/15 due to outstanding information expected from other departments. Only 1 capacity building project or session was held, as the department is strengthening its partnership with labour federations to promote coordination among stakeholders in relation to economic development, particularly in relation to labour issues.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	79 460	-	-	15 392	-	-	-	15 392	94 852
Economic Policy Development	23 075	-	-	(11 183)	-	-	-	(11 183)	11 892
Economic Planning and Coordination	579 064	-	-	2 062	-	-	-	2 062	581 126
Economic Development and Dialogue	15 261	-	-	(6 271)	-	-	-	(6 271)	8 990
<b>Total</b>	<b>696 860</b>	-	-	-	-	-	-	-	<b>696 860</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>160 775</b>	-	-	<b>(28 820)</b>	-	-	-	<b>(28 820)</b>	<b>131 955</b>
Compensation of employees	107 806	-	-	(30 895)	-	-	-	(30 895)	76 911
Goods and services	52 969	-	-	2 075	-	-	-	2 075	55 044
<b>Transfers and subsidies</b>	<b>533 892</b>	-	-	<b>26 564</b>	-	-	-	<b>26 564</b>	<b>560 456</b>
Departmental agencies and accounts	291 288	-	-	323	-	-	-	323	291 611
Public corporations and private enterprises	242 604	-	-	26 241	-	-	-	26 241	268 845
<b>Payments for capital assets</b>	<b>2 193</b>	-	-	<b>2 256</b>	-	-	-	<b>2 256</b>	<b>4 449</b>
Machinery and equipment	1 715	-	-	2 256	-	-	-	2 256	3 971
Software and other intangible assets	478	-	-	-	-	-	-	-	478
<b>Total</b>	<b>696 860</b>	-	-	-	-	-	-	-	<b>696 860</b>

## Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Ministry	19 202	-	-	2 472	-	-	-	2 472	21 674
Office of the Director-General	16 290	-	-	(589)	-	-	-	(589)	15 701
General Management Services	43 968	-	-	13 509	-	-	-	13 509	57 477
<b>Total</b>	<b>79 460</b>	-	-	<b>15 392</b>	-	-	-	<b>15 392</b>	<b>94 852</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>77 267</b>	-	-	<b>13 084</b>	-	-	-	<b>13 084</b>	<b>90 351</b>
Compensation of employees	42 407	-	-	(1 234)	-	-	-	(1 234)	41 173
Goods and services	34 860	-	-	14 318	-	-	-	14 318	49 178
<b>Transfers and subsidies</b>	-	-	-	<b>323</b>	-	-	-	<b>323</b>	<b>323</b>
Departmental agencies and accounts	-	-	-	323	-	-	-	323	323
<b>Payments for capital assets</b>	<b>2 193</b>	-	-	<b>1 985</b>	-	-	-	<b>1 985</b>	<b>4 178</b>
Machinery and equipment	1 715	-	-	1 985	-	-	-	1 985	3 700
Software and other intangible assets	478	-	-	-	-	-	-	-	478
<b>Total</b>	<b>79 460</b>	-	-	<b>15 392</b>	-	-	-	<b>15 392</b>	<b>94 852</b>

**Programme 2: Economic Policy Development**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Growth Path and Creation of Decent Work	4 543	-	-	(2 283)	-	-	-	(2 283)	2 260
Economic Policy	13 284	-	-	(4 024)	-	-	-	(4 024)	9 260
Broad Based Black Economic Empowerment	2 151	-	-	(1 837)	-	-	-	(1 837)	314
Second Economy	3 097	-	-	(3 039)	-	-	-	(3 039)	58
<b>Total</b>	<b>23 075</b>	<b>-</b>	<b>-</b>	<b>(11 183)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11 183)</b>	<b>11 892</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>23 075</b>	<b>-</b>	<b>-</b>	<b>(11 272)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11 272)</b>	<b>11 803</b>
Compensation of employees	17 026	-	-	(6 387)	-	-	-	(6 387)	10 639
Goods and services	6 049	-	-	(4 885)	-	-	-	(4 885)	1 164
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>89</b>	<b>89</b>
Machinery and equipment	-	-	-	89	-	-	-	89	89
<b>Total</b>	<b>23 075</b>	<b>-</b>	<b>-</b>	<b>(11 183)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11 183)</b>	<b>11 892</b>

**Programme 3: Economic Planning and Coordination**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Spatial, Sector and Planning	24 091	-	-	(14 273)	-	-	-	(14 273)	9 818
Economic Development, Financing and Procurement	5 284	-	-	(4 422)	-	-	-	(4 422)	862
Investment for Economic Development	248 605	-	-	24 100	-	-	-	24 100	272 705
Competitiveness and Trade for Decent Work	297 505	-	-	(594)	-	-	-	(594)	296 911
Green Economy	3 579	-	-	(2 749)	-	-	-	(2 749)	830
<b>Total</b>	<b>579 064</b>	<b>-</b>	<b>-</b>	<b>2 062</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 062</b>	<b>581 126</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>45 172</b>	<b>-</b>	<b>-</b>	<b>(24 307)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24 307)</b>	<b>20 865</b>
Compensation of employees	37 224	-	-	(19 938)	-	-	-	(19 938)	17 286
Goods and services	7 948	-	-	(4 369)	-	-	-	(4 369)	3 579
<b>Transfers and subsidies</b>	<b>533 892</b>	<b>-</b>	<b>-</b>	<b>26 241</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26 241</b>	<b>560 133</b>
Departmental agencies and accounts	291 288	-	-	-	-	-	-	-	291 288
Public corporations and private enterprises	242 604	-	-	26 241	-	-	-	26 241	268 845
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128</b>	<b>128</b>
Machinery and equipment	-	-	-	128	-	-	-	128	128
<b>Total</b>	<b>579 064</b>	<b>-</b>	<b>-</b>	<b>2 062</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 062</b>	<b>581 126</b>

**Programme 4: Economic Development and Dialogue**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
National Social Dialogue and Strategic Frameworks	3 977	-	-	615	-	-	-	615	4 592
Sector and Workplace Social Dialogue	2 450	-	-	(983)	-	-	-	(983)	1 467
Capacity Building for Economic Development	6 167	-	-	(6 146)	-	-	-	(6 146)	21
Productivity, Entrepreneurship, Innovation	2 667	-	-	243	-	-	-	243	2 910
<b>Total</b>	<b>15 261</b>	<b>-</b>	<b>-</b>	<b>(6 271)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 271)</b>	<b>8 990</b>

**Programme 4: Economic Development and Dialogue (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
<b>Current payments</b>	<b>15 261</b>	–	–	<b>(6 325)</b>	–	–	–	<b>(6 325)</b>	<b>8 936</b>
Compensation of employees	11 149	–	–	(3 336)	–	–	–	(3 336)	7 813
Goods and services	4 112	–	–	(2 989)	–	–	–	(2 989)	1 123
<b>Payments for capital assets</b>	<b>–</b>	–	–	<b>54</b>	–	–	–	<b>54</b>	<b>54</b>
Machinery and equipment	–	–	–	54	–	–	–	54	54
<b>Total</b>	<b>15 261</b>	–	–	<b>(6 271)</b>	–	–	–	<b>(6 271)</b>	<b>8 990</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Virements and shifts****Programmes**

- Administration
- Economic Policy Development
- Economic Planning and Coordination
- Economic Development and Dialogue

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(1 234)</b>	<b>Programme 4</b>		<b>1 234</b>
Compensation of employees	Vacant posts	(1 234)	Compensation of employees	Under-budgeted staff costs	1 234
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.6%</b>			
<b>Programme 2</b>		<b>(11 272)</b>	<b>Programme 3</b>		<b>4 885</b>
Goods and services	Reallocation of funds, mainly from travel and subsistence, and venues and facilities	(4 885)	Public corporations and private enterprises	Funding for the Small Enterprise Finance Agency's economic competitiveness and support package <sup>2</sup>	4 885
Compensation of employees	Vacant posts	(1 392)	<b>Programme 1</b>		<b>1 392</b>
	Vacant posts	(4 177)	Goods and services	Reprioritisation of funds	1 392
	Vacant posts	(818)	<b>Programme 3</b>		<b>4 177</b>
			Public corporations and private enterprises	Funding for the Small Enterprise Finance Agency's economic competitiveness and support package <sup>2</sup>	4 177
			<b>Programme 4</b>		<b>818</b>
			Compensation of employees	Shortfall in salaries	818
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget<sup>2</sup></b>		<b>48.8%</b>			
<b>Programme 3</b>		<b>(24 307)</b>	<b>Programme 3</b>		<b>4 369</b>
Goods and services	Reallocation of funds, mainly from travel and subsistence, and venues and facilities	(4 369)	Public corporations and private enterprises	Funding for the Small Enterprise Finance Agency's economic competitiveness and support package <sup>2</sup>	4 369
Compensation of employees	Vacant posts	(12 926)	<b>Programme 1</b>		<b>13 279</b>
	Vacant posts	(353)	Goods and services	Reclassification of funds incorrectly classified in 2014 ENE	12 926
	Vacant posts	(6 659)	Machinery and equipment	Reallocation for finance lease costs	353
			<b>Programme 3</b>		<b>6 659</b>
			Public corporations and private enterprises	Funding for the Small Enterprise Finance Agency's economic competitiveness and support package <sup>2</sup>	6 659
Shifts within the programme as a percentage of the programme budget		1.9%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.3%</b>			



FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(8 377)</b>	<b>Programme 3</b>		<b>2 989</b>
Goods and services	Reprioritisation of funds	(2 989)	Public corporations and private enterprises	Funding for the Small Enterprise Finance Agency's economic competitiveness and support package <sup>2</sup>	2 989
Compensation of employees	Vacant posts	(323)	<b>Programme 1</b>		<b>1 955</b>
	Vacant posts	(1 632)	Departmental agencies and accounts	New transfer to the Public Service Sector Education and Training Authority <sup>1</sup>	323
	Vacant posts	(89)	Machinery and equipment	Reallocation for finance lease costs	1 632
	Vacant posts	(128)	<b>Programme 2</b>		<b>89</b>
	Vacant posts	(3 162)	Machinery and equipment	Reallocation of finance leases	89
	Vacant posts	(54)	<b>Programme 3</b>		<b>3 290</b>
			Machinery and equipment	Reallocation of finance leases	128
			Public corporations and private enterprises	Funding for the Small Enterprise Finance Agency's economic competitiveness and support package <sup>2</sup>	3 162
			<b>Programme 4</b>		<b>54</b>
			Machinery and equipment	Reallocation for finance lease costs	54
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget<sup>2</sup></b>		<b>54.5%</b>			
<b>Total</b>		<b>(45 190)</b>	<b>45 190</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	% of adjusted appropriation	Apr 13 - Mar 14	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	% of adjusted appropriation	
R thousand										
Administration	95 805	32 146	33.6	91 301	95.3	94 852	13.6	35 044	36.9	
Economic Policy	23 566	6 665	28.3	23 886	101.4	11 892	1.7	5 645	47.5	
Development										
Economic Planning and Coordination	639 358	331 436	51.8	644 511	100.8	581 126	83.4	273 193	47.0	
Economic Development and Dialogue	12 737	6 045	47.5	11 697	91.8	8 990	1.3	4 611	51.3	
<b>Total</b>	<b>771 466</b>	<b>376 292</b>	<b>48.8</b>	<b>771 395</b>	<b>100.0</b>	<b>696 860</b>	<b>100.0</b>	<b>318 493</b>	<b>45.7</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>156 965</b>	<b>53 427</b>	<b>34.0</b>	<b>139 696</b>	<b>89.0</b>	<b>131 955</b>	<b>18.9</b>	<b>53 168</b>	<b>40.3</b>	
Compensation of employees	72 443	35 607	49.2	70 922	97.9	76 911	11.0	35 664	46.4	
Goods and services	84 522	17 820	21.1	68 774	81.4	55 044	7.9	17 504	31.8	
<b>Transfers and subsidies</b>	<b>612 582</b>	<b>321 677</b>	<b>52.5</b>	<b>628 077</b>	<b>102.5</b>	<b>560 456</b>	<b>80.4</b>	<b>264 068</b>	<b>47.1</b>	
Departmental agencies and accounts	273 603	133 978	49.0	273 603	100.0	291 611	41.8	142 628	48.9	
Public corporations and private enterprises	338 979	187 490	55.3	353 979	104.4	268 845	38.6	121 302	45.1	
Non-profit institutions	–	–	0.0	–	0.0	–	0.0	60	0.0	
Households	–	209	0.0	495	0.0	–	0.0	78	0.0	
<b>Payments for capital assets</b>	<b>1 919</b>	<b>1 188</b>	<b>61.9</b>	<b>3 595</b>	<b>187.3</b>	<b>4 449</b>	<b>0.6</b>	<b>1 257</b>	<b>28.3</b>	
Machinery and equipment	1 885	1 160	61.5	2 463	130.7	3 971	0.6	1 257	31.7	
Software and other intangible assets	34	28	82.4	1 132	3329.4	478	0.1	–	0.0	
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>27</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	
<b>Total</b>	<b>771 466</b>	<b>376 292</b>	<b>48.8</b>	<b>771 395</b>	<b>100.0</b>	<b>696 860</b>	<b>100.0</b>	<b>318 493</b>	<b>45.7</b>	

## Expenditure trends for the first half of 2014/15

Total expenditure for 2013/14 was 100 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R318.493 million, or 45.7 per cent of the adjusted appropriation of

R696.860 million for the year. In comparison, mid-year expenditure in 2013/14 was R376.292 million, or 48.8 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R57.799 million or 15.4 per cent. This was mainly due to the lower transfer payments and less spending on goods and services.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>1 978 443</b>	<b>695 434</b>	<b>35.2</b>	<b>1 097 542</b>	<b>55.5</b>	<b>826 800</b>	<b>900 221</b>	<b>100.0</b>	<b>572 310</b>	<b>63.6</b>
Sales of goods and services produced by department	20	11	55.0	23	115.0	18	18	0.0	11	61.1
Fines, penalties and forfeits	1 928 296	695 296	36.1	1 037 454	53.8	776 782	849 873	94.4	572 095	67.3
Interest, dividends and rent on land	50 045	45	0.1	50 229	100.4	50 000	50 250	5.6	129	0.3
Transactions in financial assets and liabilities	82	82	100.0	9 836	11 995.1	–	80	0.0	75	93.8
<b>Total</b>	<b>1 978 443</b>	<b>695 434</b>	<b>35.2</b>	<b>1 097 542</b>	<b>55.5</b>	<b>826 800</b>	<b>900 221</b>	<b>100.0</b>	<b>572 310</b>	<b>63.6</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R572.310 million, or 63.6 per cent of the adjusted revenue estimate of R900.221 million for the year. In comparison, mid-year revenue in 2013/14 was R695.434 million, or 35.2 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R123.124 million or 17.7 per cent. This was mainly due to a decrease in revenue from penalties instituted by the Competition Commission against non-compliant companies. This is expected to increase from the second quarter. Dividends paid by the Industrial Development Corporation to government, its sole shareholder, will be paid before the end of the fourth quarter.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	–	–	–	323	–	–	–	323	323
Public Service Education and Training Authority	–	–	–	323	–	–	–	323	323
<b>Economic Planning and Coordination</b>									
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	242 604	–	–	26 241	–	–	–	26 241	268 845
Small Enterprise Finance Agency	242 604	–	–	26 241	–	–	–	26 241	268 845

# Vote 29

## Energy

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>7 415 639</b>	<b>7 437 794</b>	–	22 155
<i>of which:</i>				
Current payments	518 334	530 710	–	12 376
Transfers and subsidies	6 892 110	6 901 889	–	9 779
Payments for capital assets	5 195	5 195	–	–
Executive authority	Minister of Energy			
Accounting officer	Director-General of Energy			
Website address	www.energy.gov.za			

### Aim

*Formulate energy policies, regulatory frameworks and legislation, and oversee their implementation to ensure energy security, promotion of environmentally friendly energy carriers and access to affordable and reliable energy for all South Africans.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of new operational integrated energy centres established per year	Electrification and Energy Programmes and Project Management	Departmental mandate	2	0	–
Number of additional households electrified per year	Electrification and Energy Programmes and Project Management	Outcome 9: A responsive, accountable, effective and efficient local government system	265 000	58 809	–
Number of new bulk substations built per year	Electrification and Energy Programmes and Project Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	14	4	–
Number of additional substations upgraded per year	Electrification and Energy Programmes and Project Management		10	4	–
Kilometres of new medium voltage power lines constructed per year	Electrification and Energy Programmes and Project Management		350km	77km	–
Kilometres of existing medium voltage power lines upgraded per year	Electrification and Energy Programmes and Project Management		220km	8km	–
Number of non-grid connections per year	Electrification and Energy Programmes and Project Management	Outcome 9: A responsive, accountable, effective and efficient local government system	20 000	3 786	15 000
Number of new petroleum retail site inspections per year	Petroleum and Petroleum Products Regulation	Outcome 6: An efficient, competitive and responsive economic infrastructure network	2 000	1 049	–
Number of terawatts per hour of energy savings realised and verified from energy efficiency and demand side management projects	Clean Energy	Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced	2.5 TWh	0	–
Number of solar water heating units installed in residential and commercial sectors per year	Clean Energy		204 000	0	157 200

Changes to indicators and targets published in the 2014 ENE

Programme 4: Electrification and Energy Programme and Project Management

As part of the medium term strategic framework, the Department of Energy is expected to connect 1.4 million households to the electricity grid. While the integrated national electrification programme has in recent times focused on rolling out non-grid infrastructure to deep rural areas to achieve more household electricity connections, more resources will have to be shifted to this priority in future to achieve the targets envisaged in the medium term strategic framework. Hence the performance indicator relating to non-grid connections was reduced to 15 000 to match the funding allocated in the adjusted budget.

Programme 6: Clean Energy

The national solar water heater programme has faced several challenges which have impacted on the effective implementation of the programme, such as poor quality installations resulting in reputational damage, and unreliable verification relating to the number and location of installed systems, due to the lack of systematic reporting and independent verification. In addition, the local manufacturing industry was not benefiting from the programme. To address these challenges, a revised contracting model was developed, which incorporates a minimum 70 per cent local content requirement for subsidies. The revised target for 2014/15 is therefore 157 200 solar water heater units, to be installed by March 2015.

Mid-year progress

The projects to build and upgrade substations were still in progress as at 30 September 2014. In the first six months of the year, 4 substations were completed and 4 substations were upgraded.

2 integrated energy centres (at Ngwaabe and Tembisile) are currently under construction. The Ngwaabe centre is expected to be completed by November 2014, while the Thembisile centre is expected to be completed by 31 March 2015.

The department had upgraded 8 kilometres of existing medium voltage power lines by mid-year, which is significantly below the annual target of 220 kilometres. Delays are due to administrative obstacles such as lead times for the procurement of material. However, performance is expected to improve in the second half of the year.

No solar water heaters had been installed by mid-year due to delays in finalising the implementation agreement between the department and Eskom, the implementing agent. The implementation agreement had to enforce the instruction note (which came into effect in 5 August 2013), which stipulates a minimum threshold percentage of 70 per cent local content to qualify for the subsidisation of solar water heaters.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand									
Administration	244 122	–	–	9 914	–	–	3 254	13 168	257 290
Energy Policy and Planning	52 583	4 970	–	–	–	–	–	4 970	57 553
Petroleum and Petroleum Products Regulation	82 745	5 027	–	(3 241)	–	–	–	1 786	84 531
Electrification and Energy Programme and Project Management	4 199 212	8 904	–	500	–	–	–	9 404	4 208 616
Nuclear Energy	850 502	–	–	(6 673)	–	–	–	(6 673)	843 829
Clean Energy	1 986 475	–	–	(500)	–	–	–	(500)	1 985 975
<b>Total</b>	<b>7 415 639</b>	<b>18 901</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 254</b>	<b>22 155</b>	<b>7 437 794</b>

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	<b>518 334</b>	<b>9 997</b>	<b>-</b>	<b>(875)</b>	<b>-</b>	<b>-</b>	<b>3 254</b>	<b>12 376</b>	<b>530 710</b>
Compensation of employees	291 947	-	-	(9 180)	-	-	3 254	(5 926)	286 021
Goods and services	226 387	9 997	-	8 305	-	-	-	18 302	244 689
<b>Transfers and subsidies</b>	<b>6 892 110</b>	<b>8 904</b>	<b>-</b>	<b>875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 779</b>	<b>6 901 889</b>
Provinces and municipalities	1 241 563	-	-	-	-	-	-	-	1 241 563
Departmental agencies and accounts	196 382	-	-	875	-	-	-	875	197 257
Foreign governments and international organisations	12 055	-	-	-	-	-	-	-	12 055
Public corporations and private enterprises	5 441 736	8 904	-	-	-	-	-	8 904	5 450 640
Households	374	-	-	-	-	-	-	-	374
<b>Payments for capital assets</b>	<b>5 195</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 195</b>
Machinery and equipment	5 195	-	-	-	-	-	-	-	5 195
<b>Total</b>	<b>7 415 639</b>	<b>18 901</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 254</b>	<b>22 155</b>	<b>7 437 794</b>

**Programme 1: Administration**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	25 414	-	-	5 013	-	-	-	5 013	30 427
Departmental Management	51 434	-	-	(169)	-	-	-	(169)	51 265
Finance Administration	35 369	-	-	182	-	-	-	182	35 551
Audit Services	5 530	-	-	62	-	-	-	62	5 592
Corporate Services	91 127	-	-	10 876	-	-	3 254	14 130	105 257
Office Accommodation	35 248	-	-	(6 050)	-	-	-	(6 050)	29 198
<b>Total</b>	<b>244 122</b>	<b>-</b>	<b>-</b>	<b>9 914</b>	<b>-</b>	<b>-</b>	<b>3 254</b>	<b>13 168</b>	<b>257 290</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>238 553</b>	<b>-</b>	<b>-</b>	<b>9 039</b>	<b>-</b>	<b>-</b>	<b>3 254</b>	<b>12 293</b>	<b>250 846</b>
Compensation of employees	132 787	-	-	523	-	-	3 254	3 777	136 564
Goods and services	105 766	-	-	8 516	-	-	-	8 516	114 282
<b>Transfers and subsidies</b>	<b>374</b>	<b>-</b>	<b>-</b>	<b>875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>875</b>	<b>1 249</b>
Departmental agencies and accounts	-	-	-	875	-	-	-	875	875
Households	374	-	-	-	-	-	-	-	374
<b>Payments for capital assets</b>	<b>5 195</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 195</b>
Machinery and equipment	5 195	-	-	-	-	-	-	-	5 195
<b>Total</b>	<b>244 122</b>	<b>-</b>	<b>-</b>	<b>9 914</b>	<b>-</b>	<b>-</b>	<b>3 254</b>	<b>13 168</b>	<b>257 290</b>

**Programme 2: Energy Policy and Planning**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Policy Analysis and Research	4 425	-	-	(939)	-	-	-	(939)	3 486
Energy Planning	25 356	4 970	-	1 786	-	-	-	6 756	32 112
Hydrocarbon Policy	14 519	-	-	(619)	-	-	-	(619)	13 900
Electricity, Energy Efficiency and Environmental Policy	8 283	-	-	(228)	-	-	-	(228)	8 055
<b>Total</b>	<b>52 583</b>	<b>4 970</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 970</b>	<b>57 553</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>52 583</b>	<b>4 970</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 970</b>	<b>57 553</b>
Compensation of employees	35 495	-	-	(2 347)	-	-	-	(2 347)	33 148
Goods and services	17 088	4 970	-	2 347	-	-	-	7 317	24 405
<b>Total</b>	<b>52 583</b>	<b>4 970</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 970</b>	<b>57 553</b>

**Programme 3: Petroleum and Petroleum Products Regulation**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Petroleum Compliance, Monitoring and Enforcement	16 277	5 027	-	(3 157)	-	-	-	1 870	18 147
Petroleum Licensing and Fuel Supply	21 051	-	-	(38)	-	-	-	(38)	21 013
Fuel Pricing	14 920	-	-	(46)	-	-	-	(46)	14 874
Regional Petroleum Regulation Offices	30 497	-	-	-	-	-	-	-	30 497
<b>Total</b>	<b>82 745</b>	<b>5 027</b>	<b>-</b>	<b>(3 241)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 786</b>	<b>84 531</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>82 745</b>	<b>5 027</b>	<b>-</b>	<b>(3 241)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 786</b>	<b>84 531</b>
Compensation of employees	50 347	-	-	(1 241)	-	-	-	(1 241)	49 106
Goods and services	32 398	5 027	-	(2 000)	-	-	-	3 027	35 425
<b>Total</b>	<b>82 745</b>	<b>5 027</b>	<b>-</b>	<b>(3 241)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 786</b>	<b>84 531</b>

**Programme 4: Electrification and Energy Programme and Project Management**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Integrated National Electrification Programme	4 165 901	8 904	-	317	-	-	-	9 221	4 175 122
Energy Regional Office	7 831	-	-	-	-	-	-	-	7 831
Programme and Projects Management Office	8 994	-	-	144	-	-	-	144	9 138
Electricity Infrastructure/Industry Transformation	9 798	-	-	(1 413)	-	-	-	(1 413)	8 385
Community Upliftment Programmes and Projects	6 688	-	-	1 452	-	-	-	1 452	8 140
<b>Total</b>	<b>4 199 212</b>	<b>8 904</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 404</b>	<b>4 208 616</b>

**Programme 4: Electrification and Energy Programme and Project Management (continued)**

Economic classification		2014/15							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
<b>Current payments</b>	<b>49 896</b>	–	–	500	–	–	–	500	50 396	
Compensation of employees	35 343	–	–	(1 533)	–	–	–	(1 533)	33 810	
Goods and services	14 553	–	–	2 033	–	–	–	2 033	16 586	
<b>Transfers and subsidies</b>	<b>4 149 316</b>	<b>8 904</b>	–	–	–	–	–	<b>8 904</b>	<b>4 158 220</b>	
Provinces and municipalities	1 104 658	–	–	–	–	–	–	–	1 104 658	
Public corporations and private enterprises	3 044 658	8 904	–	–	–	–	–	8 904	3 053 562	
<b>Total</b>	<b>4 199 212</b>	<b>8 904</b>	–	<b>500</b>	–	–	–	<b>9 404</b>	<b>4 208 616</b>	

**Programme 5: Nuclear Energy**

Subprogramme		2014/15							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
Nuclear Safety and Technology	832 246	–	–	(3 765)	–	–	–	(3 765)	828 481	
Nuclear Non-proliferation and Radiation Security	7 338	–	–	(556)	–	–	–	(556)	6 782	
Nuclear Policy	10 918	–	–	(2 352)	–	–	–	(2 352)	8 566	
<b>Total</b>	<b>850 502</b>	–	–	<b>(6 673)</b>	–	–	–	<b>(6 673)</b>	<b>843 829</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>44 072</b>	–	–	<b>(6 673)</b>	–	–	–	<b>(6 673)</b>	<b>37 399</b>	
Compensation of employees	20 100	–	–	(2 673)	–	–	–	(2 673)	17 427	
Goods and services	23 972	–	–	(4 000)	–	–	–	(4 000)	19 972	
<b>Transfers and subsidies</b>	<b>806 430</b>	–	–	–	–	–	–	–	<b>806 430</b>	
Departmental agencies and accounts	33 697	–	–	–	–	–	–	–	33 697	
Foreign governments and international organisations	12 055	–	–	–	–	–	–	–	12 055	
Public corporations and private enterprises	760 678	–	–	–	–	–	–	–	760 678	
<b>Total</b>	<b>850 502</b>	–	–	<b>(6 673)</b>	–	–	–	<b>(6 673)</b>	<b>843 829</b>	

**Programme 6: Clean Energy**

Subprogramme		2014/15							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
Energy Efficiency	1 810 348	–	–	(1 591)	–	–	–	(1 591)	1 808 757	
Renewable Energy	168 437	–	–	2 252	–	–	–	2 252	170 689	
Climate Change and Designated National Authority	7 690	–	–	(1 161)	–	–	–	(1 161)	6 529	
<b>Total</b>	<b>1 986 475</b>	–	–	<b>(500)</b>	–	–	–	<b>(500)</b>	<b>1 985 975</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>50 485</b>	–	–	<b>(500)</b>	–	–	–	<b>(500)</b>	<b>49 985</b>	
Compensation of employees	17 875	–	–	(1 909)	–	–	–	(1 909)	15 966	
Goods and services	32 610	–	–	1 409	–	–	–	1 409	34 019	
<b>Transfers and subsidies</b>	<b>1 935 990</b>	–	–	–	–	–	–	–	<b>1 935 990</b>	
Provinces and municipalities	136 905	–	–	–	–	–	–	–	136 905	
Departmental agencies and accounts	162 685	–	–	–	–	–	–	–	162 685	
Public corporations and private enterprises	1 636 400	–	–	–	–	–	–	–	1 636 400	
<b>Total</b>	<b>1 986 475</b>	–	–	<b>(500)</b>	–	–	–	<b>(500)</b>	<b>1 985 975</b>	

## Details of adjustments to the Estimates of National Expenditure 2014

### Roll-overs – R18.901 million

#### Programme 2: Energy Policy and Planning

R4.970 million has been rolled over for payments to service providers to conduct a study on the energy footprint and energy savings potential in heavy industries. The study was conducted to support evidence based policy development in the integrated energy plan. In addition, the study is expected to inform the future targets of the national energy efficiency strategy from 2016 to 2030.

#### Programme 3: Petroleum and Petroleum Products Regulation

R5.027 million has been rolled over for payments to service providers to conduct a fuel sampling and testing exercise. The objective of the project is to monitor compliance to fuel specifications and standards regulations and gather information about compliant and non-compliant petroleum operators in relation to legislation; track compliance performance and attain broader understanding of compliance challenges. Through the fuel sampling and testing project, the department will be able to monitor the quality of fuel being sold in the country.

#### Programme 4: Electrification and Energy Programme and Project Management

R8.904 million has been rolled over for payments to non-grid service providers to finalise non-grid electricity connections to households.

### Virements and shifts

#### Programmes

1. Administration
2. Energy Policy and Planning
3. Petroleum and Petroleum Products Regulation
4. Electrification and Energy Programme and Project Management
5. Nuclear Energy
6. Clean Energy

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(875)</b>	<b>Programme 1</b>		<b>875</b>
Goods and services	Reallocation of funds for training and development <sup>1</sup>	(875)	Departmental agencies and accounts	Transfer payment to sector education and training authorities for training and development <sup>1</sup>	875
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(2 347)</b>	<b>Programme 1</b>		<b>1 543</b>
Compensation of employees	Vacant posts	(523)	Compensation of employees	Shortfall in salaries for staff under ministry, audit services and finance administration	523
	Vacant posts	(1 020)	Goods and services	Administration fees; venues and facilities; fleet services and operating lease payments and shortfalls in salaries in the ministry	1 020
	Vacant posts	(461)	<b>Programme 4</b>		<b>461</b>
			Compensation of employees	Shortfall of contract staff for the integrated national electrification programme and project management office	461
			<b>Programme 6</b>		<b>343</b>
			Compensation of employees	Shortfall in staff in the Renewable Energy subprogramme	343
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>4.5%</b>			



FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(3 241)</b>	<b>Programme 1</b>		<b>3 241</b>
Goods and services	Cost containment measures effected, mostly on consultants	(2 000)	Goods and services	Public participation projects such as electricity switch-on events, the launch of integrated energy centres and related imbizos, and for participating in and hosting the SADC clean energy education empowerment workshop	2 000
Compensation of employees	Cost containment measures effected on compensation of employees	(1 241)	Goods and services	Administration fees; travel; venues and facilities; advertising; and fleet services in the ministry	1 241
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.9%</b>			
<b>Programme 4</b>		<b>(1 994)</b>	<b>Programme 2</b>		<b>804</b>
Compensation of employees	Cost containment measures effected on compensation of employees	(804)	Goods and services	Data collection management systems and analysis of projects in energy planning	804
	Cost containment measures effected on compensation of employees	(1 190)	<b>Programme 4</b>		<b>1 190</b>
			Goods and services	Travel; venues and facilities; fleet services; and advertising for community upliftment programmes and projects	1 190
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(6 673)</b>	<b>Programme 1</b>		<b>5 130</b>
Goods and services	Cost containment measures effected, mostly on consultants	(4 000)	Goods and services	Public participation projects such as electricity switch-on events, the launch of integrated energy centres and related imbizos, and for participating in and hosting the SADC clean energy education empowerment workshop	4 000
Compensation of employees	Vacant posts	(1 130)	Goods and services	Travel; venues and facilities; communications; catering, and administration fees in the ministry	1 130
	Vacant posts	(1 543)	<b>Programme 2</b>		<b>1 543</b>
			Goods and services	Data collection management systems, storage and analysis in the Energy Planning subprogramme	1 543
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.8%</b>			
<b>Programme 6</b>		<b>(2 752)</b>	<b>Programme 4</b>		<b>843</b>
Goods and services	Cost containment measures effected on advertising; communications and consultants due to delays in implementing energy efficiency awareness campaigns	(500)	Goods and services	Hosting of the SADC clean energy education empowerment workshop	500
Compensation of employees	Vacant posts	(343)	Goods and services	Travel, venues and facilities, and catering for community upliftment programmes and projects	343
	Vacant posts	(1 909)	<b>Programme 6</b>		<b>1 909</b>
			Goods and services	Venue and facilities for the South African international renewable energy conference	1 909
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(17 882)</b>			<b>17 882</b>

1. National Treasury approval has been obtained.

**Other adjustments – R3.254 million****Self-financing expenditure**

## Programme 1: Administration

R3.254 million has been appropriated as self-financing expenditure to cater for skills development grants received from the Energy and Water Sector Education and Training Authority and the Chemical Industries Sector Education and Training Authority for learnership programmes and special training and development projects.

**Expenditure outcome for 2013/14 and actual expenditure for 2014/15**

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
Administration	219 628	99 373	45.2	232 558	105.9	257 290	3.5	107 997	42.0
Energy Policy and Planning	47 201	19 952	42.3	47 756	101.2	57 553	0.8	19 736	34.3
Petroleum and Petroleum Products Regulation	68 806	10 661	15.5	25 836	37.5	84 531	1.1	24 021	28.4
Electrification and Energy Programme and Project Management	3 952 537	2 003 883	50.7	3 958 525	100.2	4 208 616	56.6	1 968 701	46.8
Nuclear Energy	708 798	620 652	87.6	722 501	101.9	843 829	11.3	762 186	90.3
Clean Energy	1 506 274	83 666	5.6	1 489 887	98.9	1 985 975	26.7	631 296	31.8
<b>Total</b>	<b>6 503 244</b>	<b>2 838 187</b>	<b>43.6</b>	<b>6 477 063</b>	<b>99.6</b>	<b>7 437 794</b>	<b>100.0</b>	<b>3 513 937</b>	<b>47.2</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>460 307</b>	<b>177 302</b>	<b>38.5</b>	<b>414 785</b>	<b>90.1</b>	<b>530 710</b>	<b>7.1</b>	<b>203 218</b>	<b>38.3</b>
Compensation of employees	242 562	112 523	46.4	228 545	94.2	286 021	3.8	127 014	44.4
Goods and services	217 745	64 779	29.7	186 240	85.5	244 689	3.3	76 204	31.1
<b>Transfers and subsidies</b>	<b>6 034 264</b>	<b>2 657 873</b>	<b>44.0</b>	<b>6 050 595</b>	<b>100.3</b>	<b>6 901 889</b>	<b>92.8</b>	<b>3 308 743</b>	<b>47.9</b>
Provinces and municipalities	1 815 494	840 605	46.3	1 815 490	100.0	1 241 563	16.7	385 586	31.1
Departmental agencies and accounts	202 504	104 201	51.5	202 504	100.0	197 257	2.7	100 452	50.9
Foreign governments and international organisations	13 577	11 955	88.1	38 903	286.5	12 055	0.2	-	0.0
Public corporations and private enterprises	4 002 333	1 700 963	42.5	3 993 429	99.8	5 450 640	73.3	2 822 085	51.8
Households	356	149	41.9	269	75.6	374	0.0	620	165.8
<b>Payments for capital assets</b>	<b>8 673</b>	<b>3 012</b>	<b>34.7</b>	<b>11 683</b>	<b>134.7</b>	<b>5 195</b>	<b>0.1</b>	<b>1 976</b>	<b>38.0</b>
Machinery and equipment	8 673	3 012	34.7	11 335	130.7	5 195	0.1	1 976	38.0
Software and other intangible assets	-	-	0.0	348	0.0	-	0.0	-	0.0
<b>Total</b>	<b>6 503 244</b>	<b>2 838 187</b>	<b>43.6</b>	<b>6 477 063</b>	<b>99.6</b>	<b>7 437 794</b>	<b>100.0</b>	<b>3 513 937</b>	<b>47.2</b>

**Expenditure trends for the first half of 2014/15**

Total expenditure in 2013/14 was 99.6 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R3.514 billion, or 47.2 per cent of the adjusted appropriation of R7.438 billion for the year. In comparison, mid-year expenditure in 2013/14 was R2.838 billion, or 43.6 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R675.750 million or 23.8 per cent. This was mainly due to an increase in the transfer payment to the South African Nuclear Energy Corporation for infrastructure projects, and higher transfer payments to Eskom for the solar water heater project in the first half of 2014/15 relative to last year. In 2013/14, most of the transfers for this project were made in the second half of the year.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>2 912</b>	<b>1 718</b>	<b>59.0</b>	<b>43 472</b>	<b>1 492.9</b>	<b>2 647</b>	<b>3 255</b>	<b>100.0</b>	<b>1 880</b>	<b>57.8</b>
Sales of goods and services produced by department	2 472	1 383	55.9	2 758	111.6	2 429	2 591	79.6	1 379	53.2
Sales of scrap, waste, arms and other used current goods	4	2	50.0	2	50.0	-	2	0.1	1	50.0
Transfers received	16	16	100.0	40 270	251 687.5	-	-	0.0	-	0.0
Interest, dividends and rent on land	40	20	50.0	24	60.0	15	90	2.8	43	47.8
Transactions in financial assets and liabilities	380	297	78.2	418	110.0	203	572	17.6	457	79.9
<b>Total</b>	<b>2 912</b>	<b>1 718</b>	<b>59.0</b>	<b>43 472</b>	<b>1 492.9</b>	<b>2 647</b>	<b>3 255</b>	<b>100.0</b>	<b>1 880</b>	<b>57.8</b>

### Revenue trends for the first half of 2014/15

Departmental receipts in the first six months of 2014/15 were R1.880 million, or 57.8 per cent of the adjusted revenue estimate of R3.255 million for the year. In comparison, mid-year revenue in 2013/14 was R1.718 million or 59 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R162 000 or 9.4 per cent. This was mainly due to an increase in transactions in financial assets and liabilities as well as the interest earned on bank accounts.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	875	-	-	-	875	875
Energy Sector Education Training Authority	-	-	-	875	-	-	-	875	875
<b>Electrification and Energy Programme and Project Management</b>									
<b>Public corporations and private enterprises</b>									
<b>Private enterprises</b>									
<b>Subsidies on production or products</b>									
<b>Capital</b>	96 621	8 904	-	-	-	-	-	8 904	105 525
Integrated national electrification programme	96 621	8 904	-	-	-	-	-	8 904	105 525



## Environmental Affairs

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>5 668 386</b>	<b>5 680 386</b>	–	12 000
<b>of which:</b>				
Current payments	1 951 243	1 869 439	(81 804)	–
Transfers and subsidies	3 675 700	3 677 554	–	1 854
Payments for capital assets	41 443	133 393	–	91 950
Executive authority	Minister of Environmental Affairs			
Accounting officer	Director-General of Environmental Affairs			
Website address	www.environment.gov.za			

### Aim

*Lead South Africa's environmental sector to achieve sustainable development towards a better quality of life for all.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the Department of Environmental Affairs now has its own minister and deputy minister, with effect from May 2014 (The Environmental Affairs portfolio was previously combined with the Water Affairs portfolio). Provision is therefore made in the budget for the Ministry and Deputy Ministry subprogrammes within the Administration programme.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of interventions for streaming environmental authorisations for strategic infrastructure programmes and industrial policy action plan priorities developed per year	Legal, Authorisations and Compliance	Outcome 10: Environmental assets and natural resources that are valued, protected and continually enhanced	5	0	–
Percentage of national environmental impact management applications processed within stipulated time frames per year	Legal, Authorisations and Compliance		90% (360)	51% (53/104)	–
Number of environmental authorisations inspected per year	Legal, Authorisations and Compliance		135	56	–
Number of annual research voyages per year in Antarctica, and at Marion and Gough islands	Oceans and Coasts		3	2	–
Percentage of coastline with full protection	Oceans and Coasts		10% (360/3 600km)	8.3% (298/3 600km)	–
Percentage of exclusive economic zone under protection	Oceans and Coasts		2.5%	1.8%	–
National air quality index	Climate Change and Air Quality		1.30	0	–
Total number of climate change response policy interventions implemented	Climate Change and Air Quality		16	0	–

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Total percentage of land under conservation towards the Convention on Biological Diversity target of 17 per cent by 2020	Biodiversity and Conservation	Outcome 10: Environmental assets and natural resources that are valued, protected and continually enhanced	8.5% (10 369 252ha)	10.7% (13 053 058ha)	-
Percentage of area of state-managed protected areas assessed with management effectiveness tracking tool score above 67 per cent	Biodiversity and Conservation		87% (2 232 323/6 525 889)	0	-
Number of work opportunities created through expanded public works programme projects per year	Environmental Programmes		77 562	23 235	69 158
Number of full time equivalent jobs created through expanded public works programme projects per year	Environmental Programmes		40 324	3 494	37 036
Total number of plastic buy-back centres established	Environmental Programmes		11	1	-
Total number of Green Fund projects approved and implemented	Environmental Programmes		45	44	-
Number of unlicensed waste disposal sites that are authorised per year	Chemicals and Waste Management		40	0	-
Total percentage of waste tyre being reused, recycled and recovered	Chemicals and Waste Management		4% (440 000)	6%	-

#### Changes to indicators and targets published in the 2014 ENE

The targets for the number of work opportunities and full time equivalent jobs created through the expanded public works programme projects have been reduced to 69 158 and 37 036, due to Cabinet approved reductions, through the virement of funds from the Working for Water and Working on Fire programmes. This will result in fewer people employed than initially anticipated.

#### Mid-year progress

No environmental authorisations have been finalised for the strategic infrastructure programmes as yet. However, for strategic infrastructure project 8, the draft renewable energy development zone for wind and solar photovoltaics has been finalised. For strategic infrastructure project 10, the environmental attributes map has been identified for which the first draft is available. For strategic infrastructure programme 16, the terms of reference for the Square Kilometre Array project have been drafted and sent to the Department of Science and Technology for inputs.

The target for the percentage of land under conservation has been exceeded (10.7 per cent achieved against a target of 8.5 per cent) as the database for the protected areas has been evaluated and the SANParks expansion plan has been submitted. This will result in more land being under conservation.

The department managed to process only 53 of 104 (51 per cent) of the environmental impact assessment applications within the period under review. The delays were mainly caused by the high number of applications received and the limited human resources capacity allocated to this function. The department will prioritise the finalisation of the delayed applications in the latter part of 2014/15.

Only 1 plastic buy-back centre has been established in 2014/15. This is due to limited access to the plastic bag levy income collected by the South African Revenue Service that is made available to the Department of Environmental Affairs.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	653 363	-	12 000	878	-	-	-	12 878	666 241
Legal, Authorisations and Compliance	122 573	-	-	(5 000)	-	-	-	(5 000)	117 573
Oceans and Coasts	357 432	-	-	22 700	-	-	-	22 700	380 132
Climate Change and Air Quality	227 708	-	-	-	-	-	-	-	227 708
Biodiversity and Conservation	636 753	-	-	(7 756)	-	-	-	(7 756)	628 997
Environmental Programmes	3 598 347	-	-	(10 822)	-	-	-	(10 822)	3 587 525
Chemicals and Waste Management	72 210	-	-	-	-	-	-	-	72 210
<b>Total</b>	<b>5 668 386</b>	<b>-</b>	<b>12 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 000</b>	<b>5 680 386</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 951 243</b>	<b>-</b>	<b>10 050</b>	<b>(91 854)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(81 804)</b>	<b>1 869 439</b>
Compensation of employees	752 176	-	7 869	38 756	-	-	-	46 625	798 801
Goods and services	1 199 067	-	2 181	(130 610)	-	-	-	(128 429)	1 070 638
<b>Transfers and subsidies</b>	<b>3 675 700</b>	<b>-</b>	<b>-</b>	<b>1 854</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 854</b>	<b>3 677 554</b>
Departmental agencies and accounts	1 208 150	-	-	(1 756)	-	-	-	(1 756)	1 206 394
Foreign governments and international organisations	12 890	-	-	3 110	-	-	-	3 110	16 000
Public corporations and private enterprises	250 000	-	-	-	-	-	-	-	250 000
Non-profit institutions	3 187	-	-	500	-	-	-	500	3 687
Households	2 201 473	-	-	-	-	-	-	-	2 201 473
<b>Payments for capital assets</b>	<b>41 443</b>	<b>-</b>	<b>1 950</b>	<b>90 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91 950</b>	<b>133 393</b>
Buildings and other fixed structures	-	-	-	90 000	-	-	-	90 000	90 000
Machinery and equipment	41 443	-	1 950	-	-	-	-	1 950	43 393
<b>Total</b>	<b>5 668 386</b>	<b>-</b>	<b>12 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 000</b>	<b>5 680 386</b>

## Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Management	103 248	-	12 000	(2 700)	-	-	-	9 300	112 548
Corporate Affairs	177 884	-	-	(2 478)	-	-	-	(2 478)	175 406
Environmental Advisory Services	109 567	-	-	-	-	-	-	-	109 567
Financial Management	53 804	-	-	3 300	-	-	-	3 300	57 104
Office Accommodation	153 866	-	-	-	-	-	-	-	153 866
Environmental Sector Coordination	54 994	-	-	2 756	-	-	-	2 756	57 750
<b>Total</b>	<b>653 363</b>	<b>-</b>	<b>12 000</b>	<b>878</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 878</b>	<b>666 241</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>636 579</b>	<b>-</b>	<b>10 050</b>	<b>(92 232)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(82 182)</b>	<b>554 397</b>
Compensation of employees	277 582	-	7 869	15 578	-	-	-	23 447	301 029
Goods and services	358 997	-	2 181	(107 810)	-	-	-	(105 629)	253 368
<b>Transfers and subsidies</b>	<b>12 890</b>	<b>-</b>	<b>-</b>	<b>3 110</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 110</b>	<b>16 000</b>
Foreign governments and international organisations	12 890	-	-	3 110	-	-	-	3 110	16 000
<b>Payments for capital assets</b>	<b>3 894</b>	<b>-</b>	<b>1 950</b>	<b>90 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91 950</b>	<b>95 844</b>
Buildings and other fixed structures	-	-	-	90 000	-	-	-	90 000	90 000
Machinery and equipment	3 894	-	1 950	-	-	-	-	1 950	5 844
<b>Total</b>	<b>653 363</b>	<b>-</b>	<b>12 000</b>	<b>878</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 878</b>	<b>666 241</b>

**Programme 2: Legal, Authorisations and Compliance**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Legal, Authorisations and Compliance Management	5 908	-	-	-	-	-	-	-	5 908
Compliance Monitoring	19 472	-	-	-	-	-	-	-	19 472
Integrated Environmental Authorisations	50 035	-	-	(5 000)	-	-	-	(5 000)	45 035
Enforcement	24 242	-	-	-	-	-	-	-	24 242
Corporate Legal Support and Litigation	8 760	-	-	-	-	-	-	-	8 760
Law Reform and Appeals	14 156	-	-	-	-	-	-	-	14 156
<b>Total</b>	<b>122 573</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>117 573</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>121 697</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>116 697</b>
Compensation of employees	90 800	-	-	-	-	-	-	-	90 800
Goods and services	30 897	-	-	(5 000)	-	-	-	(5 000)	25 897
<b>Payments for capital assets</b>	<b>876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>876</b>
Machinery and equipment	876	-	-	-	-	-	-	-	876
<b>Total</b>	<b>122 573</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5 000)</b>	<b>117 573</b>

**Programme 3: Oceans and Coasts**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Oceans and Coasts Management	7 481	-	-	-	-	-	-	-	7 481
Integrated Coastal Management	48 854	-	-	22 700	-	-	-	22 700	71 554
Oceans and Coastal Research	112 985	-	-	(25 000)	-	-	-	(25 000)	87 985
Oceans Conservation	182 811	-	-	25 000	-	-	-	25 000	207 811
Specialist Monitoring Services	5 301	-	-	-	-	-	-	-	5 301
<b>Total</b>	<b>357 432</b>	<b>-</b>	<b>-</b>	<b>22 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22 700</b>	<b>380 132</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>344 217</b>	<b>-</b>	<b>-</b>	<b>22 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22 700</b>	<b>366 917</b>
Compensation of employees	82 059	-	-	-	-	-	-	-	82 059
Goods and services	262 158	-	-	22 700	-	-	-	22 700	284 858
<b>Payments for capital assets</b>	<b>13 215</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 215</b>
Machinery and equipment	13 215	-	-	-	-	-	-	-	13 215
<b>Total</b>	<b>357 432</b>	<b>-</b>	<b>-</b>	<b>22 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22 700</b>	<b>380 132</b>

**Programme 5: Biodiversity and Conservation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Biodiversity and Conservation Management	14 824	-	-	-	-	-	-	-	14 824
Biodiversity Planning and Management	24 725	-	-	(2 500)	-	-	-	(2 500)	22 225
Protected Areas Systems Management	45 872	-	-	(3 500)	-	-	-	(3 500)	42 372
iSimangaliso Wetland Park Authority	30 610	-	-	-	-	-	-	-	30 610
South African National Parks	274 068	-	-	1 000	-	-	-	1 000	275 068
South African National Biodiversity Institute	226 203	-	-	(2 756)	-	-	-	(2 756)	223 447
Biodiversity Monitoring and Evaluation	5 783	-	-	-	-	-	-	-	5 783
Biodiversity Economy and Sustainable Use	14 668	-	-	-	-	-	-	-	14 668
<b>Total</b>	<b>636 753</b>	<b>-</b>	<b>-</b>	<b>(7 756)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7 756)</b>	<b>628 997</b>



**Programme 5: Biodiversity and Conservation (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>103 433</b>	-	-	(6 500)	-	-	-	(6 500)	<b>96 933</b>
Compensation of employees	58 155	-	-	-	-	-	-	-	58 155
Goods and services	45 278	-	-	(6 500)	-	-	-	(6 500)	38 778
<b>Transfers and subsidies</b>	<b>532 668</b>	-	-	(1 256)	-	-	-	(1 256)	<b>531 412</b>
Departmental agencies and accounts	530 881	-	-	(1 756)	-	-	-	(1 756)	529 125
Non-profit institutions	1 787	-	-	500	-	-	-	500	2 287
<b>Payments for capital assets</b>	<b>652</b>	-	-	-	-	-	-	-	<b>652</b>
Machinery and equipment	652	-	-	-	-	-	-	-	652
<b>Total</b>	<b>636 753</b>	-	-	<b>(7 756)</b>	-	-	-	<b>(7 756)</b>	<b>628 997</b>

**Programme 6: Environmental Programmes**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Environmental Protection and Infrastructure Programme	1 331 138	-	-	-	-	-	-	-	1 331 138
Working for Water and Working on Fire	1 965 896	-	-	(10 822)	-	-	-	(10 822)	1 955 074
Green Fund	250 000	-	-	-	-	-	-	-	250 000
Environmental Programmes Management	6 154	-	-	-	-	-	-	-	6 154
Information Management and Sector Coordination	45 159	-	-	-	-	-	-	-	45 159
<b>Total</b>	<b>3 598 347</b>	-	-	<b>(10 822)</b>	-	-	-	<b>(10 822)</b>	<b>3 587 525</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>611 863</b>	-	-	(10 822)	-	-	-	(10 822)	<b>601 041</b>
Compensation of employees	155 651	-	-	23 178	-	-	-	23 178	178 829
Goods and services	456 212	-	-	(34 000)	-	-	-	(34 000)	422 212
<b>Transfers and subsidies</b>	<b>2 965 228</b>	-	-	-	-	-	-	-	<b>2 965 228</b>
Departmental agencies and accounts	513 755	-	-	-	-	-	-	-	513 755
Public corporations and private enterprises	250 000	-	-	-	-	-	-	-	250 000
Households	2 201 473	-	-	-	-	-	-	-	2 201 473
<b>Payments for capital assets</b>	<b>21 256</b>	-	-	-	-	-	-	-	<b>21 256</b>
Machinery and equipment	21 256	-	-	-	-	-	-	-	21 256
<b>Total</b>	<b>3 598 347</b>	-	-	<b>(10 822)</b>	-	-	-	<b>(10 822)</b>	<b>3 587 525</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Unforeseeable and unavoidable expenditure – R12 million**

Programme 1: Administration

R12 million has been allocated to create the new ministry, for the minister and deputy minister.

## Virements and shifts

### Programmes

1. Administration
2. Legal, Authorisations and Compliance
3. Oceans and Coasts
4. Climate Change and Air Quality
5. Biodiversity and Conservation
6. Environmental Programmes
7. Chemicals and Waste Management

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>			<b>Programme 1</b>		
			<b>95 110</b>		
Goods and services	Cost containment measures effected on contractors <sup>1</sup>	(2 000)	Compensation of employees	Security officers for the new departmental building <sup>1</sup>	2 000
	Reclassification of funds incorrectly classified in the 2014 ENE	(90 000)	Buildings and other fixed structures	Funds correctly classified as a financial lease for the public-private partnership for the department's new building	90 000
	Cost containment measures effected on business and advisory services	(3 110)	Foreign governments and international organisations	Increased membership fee for the Global Environmental Facility-administered trust fund under the sixth agreement on replenishment of resources	3 110
	Cost containment measures effected on advertising; communication; stationery; printing and office supplies, and training and development	(12 700)	<b>Programme 3</b>		<b>12 700</b>
			Goods and services	Oceans economy strategy labs project	12 700
Shifts within the programme as a percentage of the programme budget		14.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.9%</b>			
<b>Programme 2</b>			<b>Programme 3</b>		
			<b>5 000</b>		
Goods and services	Cost containment measures effected on business advisory services, and travel and subsistence	(5 000)	Goods and services	Oceans economy strategy labs project	5 000
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>4.1%</b>			
<b>Programme 5</b>			<b>Programme 5</b>		
			<b>1 500</b>		
Goods and services	Funds incorrectly allocated in the 2014 ENE <sup>1</sup>	(1 000)	Departmental agencies and accounts	Funds correctly classified as operation and maintenance of the  Ai- Ais/Richtersveld pontoon	1 000
	Funds incorrectly allocated in the 2014 ENE <sup>1</sup>	(500)	Non-profit institutions	Funds incorrectly classified in the 2014 ENE allocated to the African World Heritage Fund	500
	Cost containment measures effected on business and advisory services; travel and subsistence, and contractors	(5 000)	<b>Programme 3</b>		<b>5 000</b>
			Goods and services	Oceans economy strategy labs project	5 000
Departmental agencies and accounts		(2 756)	<b>Programme 1</b>		<b>2 756</b>
	Cost containment measures effected on operational transfers and payments to entities <sup>1</sup>		Compensation of employees	Leadership programme to be managed and paid for from departmental systems <sup>1</sup>	2 756
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.2%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 6</b>		<b>(34 000)</b>	<b>Programme 1</b>		<b>10 822</b>
Goods and services	Cost containment measures effected on consultants and professional services: infrastructure and planning <sup>1</sup>	(34 000)	Compensation of employees	Support services for the implementation of the Public Service Co-ordinating Bargaining Council's resolution 1 of 2012 <sup>1</sup>	10 822
			<b>Programme 6</b>		<b>23 178</b>
			Compensation of employees	Shortfall in posts in the expanded public works programme for management of the Working for Water and Working on Fire programmes <sup>1</sup>	23 178
Shifts within the programme as a percentage of the programme budget		0.6%			
Virements to other programmes as a percentage of the programme budget		0.3%			
<b>Total</b>		<b>(156 066)</b>			<b>156 066</b>

1. National Treasury approval has been obtained.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
Administration	777 314	326 235	42.0	765 026	98.4	666 241	11.7	301 913	45.3	
Legal, Authorisations and Compliance	113 324	44 716	39.5	102 934	90.8	117 573	2.1	46 783	39.8	
Oceans and Coasts	318 176	158 989	50.0	326 088	102.5	380 132	6.7	170 578	44.9	
Climate Change and Air Quality	233 814	113 921	48.7	229 760	98.3	227 708	4.0	112 718	49.5	
Biodiversity and Conservation	576 729	261 162	45.3	565 662	98.1	628 997	11.1	339 184	53.9	
Environmental Programmes	3 121 778	1 318 436	42.2	3 137 724	100.5	3 587 525	63.2	1 414 660	39.4	
Chemicals and Waste Management	65 707	25 098	38.2	73 113	111.3	72 210	1.3	23 219	32.2	
<b>Total</b>	<b>5 206 842</b>	<b>2 248 557</b>	<b>43.2</b>	<b>5 200 307</b>	<b>99.9</b>	<b>5 680 386</b>	<b>100.0</b>	<b>2 409 055</b>	<b>42.4</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>1 589 006</b>	<b>665 181</b>	<b>41.9</b>	<b>1 532 226</b>	<b>96.4</b>	<b>1 869 439</b>	<b>32.9</b>	<b>729 126</b>	<b>39.0</b>	
Compensation of employees	668 000	326 333	48.9	659 222	98.7	798 801	14.1	381 248	47.7	
Goods and services	921 006	338 848	36.8	873 004	94.8	1 070 638	18.8	347 878	32.5	
<b>Transfers and subsidies</b>	<b>3 438 502</b>	<b>1 478 143</b>	<b>43.0</b>	<b>3 446 306</b>	<b>100.2</b>	<b>3 677 554</b>	<b>64.7</b>	<b>1 641 013</b>	<b>44.6</b>	
Provinces and municipalities	–	–	0.0	14	0.0	–	0.0	10	0.0	
Departmental agencies and accounts	1 127 541	454 454	40.3	1 133 430	100.5	1 206 394	21.2	550 506	45.6	
Foreign governments and international organisations	12 890	–	0.0	12 890	100.0	16 000	0.3	–	0.0	
Public corporations and private enterprises	250 000	167 290	66.9	250 000	100.0	250 000	4.4	132 241	52.9	
Non-profit institutions	1 517	1 200	79.1	1 517	100.0	3 687	0.1	2 200	59.7	
Households	2 046 554	855 199	41.8	2 048 455	100.1	2 201 473	38.8	956 056	43.4	
<b>Payments for capital assets</b>	<b>179 285</b>	<b>105 184</b>	<b>58.7</b>	<b>221 619</b>	<b>123.6</b>	<b>133 393</b>	<b>2.3</b>	<b>38 709</b>	<b>29.0</b>	
Buildings and other fixed structures	146 000	86 017	58.9	174 397	119.5	90 000	1.6	29 325	32.6	
Machinery and equipment	33 186	18 805	56.7	45 950	138.5	43 393	0.8	8 523	19.6	
Specialised military assets	–	59	0.0	–	0.0	–	0.0	–	0.0	
Software and other intangible assets	99	303	306.1	1 272	1284.8	–	0.0	861	0.0	
<b>Payments for financial assets</b>	<b>49</b>	<b>49</b>	<b>100.0</b>	<b>156</b>	<b>318.4</b>	<b>–</b>	<b>0.0</b>	<b>207</b>	<b>0.0</b>	
<b>Total</b>	<b>5 206 842</b>	<b>2 248 557</b>	<b>43.2</b>	<b>5 200 307</b>	<b>99.9</b>	<b>5 680 386</b>	<b>100.0</b>	<b>2 409 055</b>	<b>42.4</b>	

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.9 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R2.409 billion or 42.4 per cent of the adjusted appropriation of R5.680 billion for the year. In comparison, mid-year expenditure in 2013/14 was R2.249 billion, or 43.2 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R160.498 million, or 7.1 per cent. This was mainly due to increased spending on implementing agents in the Working for Water programme.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome		Actual receipts		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate					
<b>Departmental receipts</b>	<b>19 126</b>	<b>12 314</b>	<b>64.4</b>	<b>29 572</b>	<b>154.6</b>	<b>23 727</b>	<b>29 832</b>	<b>100.0</b>	<b>18 047</b>	<b>60.5</b>
Sales of goods and services produced by department	1 605	1 313	81.8	1 837	114.5	3 560	4 940	16.6	2 263	45.8
Sales of scrap, waste, arms and other used current goods	2	1	50.0	2	100.0	2	2	0.0	1	50.0
Fines, penalties and forfeits	350	308	88.0	3 335	952.9	5 000	5 000	16.8	1 532	30.6
Interest, dividends and rent on land	138	16	11.6	68	49.3	140	140	0.5	49	35.0
Sales of capital assets	25	-	0.0	38	152.0	25	1 500	5.0	1 394	92.9
Transactions in financial assets and liabilities	17 006	10 676	62.8	24 292	142.8	15 000	18 250	61.2	12 808	70.2
<b>Total</b>	<b>19 126</b>	<b>12 314</b>	<b>64.4</b>	<b>29 572</b>	<b>154.6</b>	<b>23 727</b>	<b>29 832</b>	<b>100.0</b>	<b>18 047</b>	<b>60.5</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R18.047 million, or 60.5 per cent of the adjusted revenue estimate of R29.832 million for the year. In comparison, mid-year revenue in 2013/14 was R12.314 million, or 64.4 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R5.733 million, or 46.6 per cent. This was mainly due to increased transactions in financial assets and liabilities, fines collected for non-compliance and sales of capital assets of the old departmental building.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	<b>12 890</b>	-	-	<b>3 110</b>	-	-	-	<b>3 110</b>	<b>16 000</b>
Global Environmental Fund	12 890	-	-	3 110	-	-	-	3 110	16 000
<b>Biodiversity and Conservation</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>470 270</b>	-	-	<b>(1 756)</b>	-	-	-	<b>(1 756)</b>	<b>468 514</b>
South African National Parks	244 067	-	-	1 000	-	-	-	1 000	245 067
South African National Biodiversity Institute	226 203	-	-	(2 756)	-	-	-	(2 756)	223 447
<b>Non-profit institutions</b>									
<b>Current</b>	<b>500</b>	-	-	<b>500</b>	-	-	-	<b>500</b>	<b>1 000</b>
African World Heritage Fund	500	-	-	500	-	-	-	500	1 000

## Human Settlements

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>30 521 392</b>	<b>29 417 605</b>	(1 103 787)	–
<b>of which:</b>				
Current payments	823 883	696 548	(127 335)	–
Transfers and subsidies	28 728 251	28 710 891	(17 360)	–
Payments for capital assets	969 258	10 156	(959 102)	–
Payments for financial assets	–	10	–	10
Executive authority	Minister of Human Settlements			
Accounting officer	Director-General of Human Settlements			
Website address	www.dhs.gov.za			

### Aim

*Facilitate the creation of sustainable human settlements and the improvement to household quality of life.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the sanitation function that was previously the responsibility of the Department of Human Settlements is transferred to the new Department of Water and Sanitation, with effect from 1 October 2014.

The function carries with it two grants: the rural household infrastructure grant (direct and indirect); and the human settlements development grant, which is an indirect grant for bucket eradication.

### Changes to programme purpose and objectives

Programme 3: Programme Delivery Support

The purpose and objectives of the Programme Delivery Support programme stays the same, except for the removal of the sanitation function, which has been transferred to the Department of Water and Sanitation.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of additional municipalities assessed for accreditation level 2 per year	Human Settlements Policy, Strategy and Planning	Outcome 8: Sustainable human settlements and improved quality of household life	5	0 <sup>1</sup>	–
Total number of municipalities provided with technical assistance for informal settlement upgrading	Programme Delivery Support		53	41	–
Number of informal settlements with settlement level upgrading plans per year	Programme Delivery Support		450	748	–
Number of informal settlements upgraded to phase 3 per year	Programme Delivery Support		300	0	–
Number of additional residential units completed per year	Housing Development Finance		66 655	21 923 <sup>1</sup>	–

2014 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of additional sites serviced per year (greenfield)	Housing Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	75 275	1 475 <sup>1</sup>	–
Number of additional households upgraded in informal settlements with access to secure tenure and basic services per year (brownfield)	Housing Development Finance		28 898	2 272 <sup>1</sup>	–
Number of houses per hectare of land in integrated residential development programme projects per year	Housing Development Finance		60	0 <sup>2</sup>	–
Number of subsidies issued in the People's Housing Process per year	Programme Delivery Support		6 000	539 <sup>1</sup>	–

1. Performance information is for the first quarter of 2014, as data for the full six months was not available.

2. Data for this performance indicator is unavailable at present.

### Changes to indicators and targets published in the 2014 ENE

Performance indicators and targets for the number of additional households provided with on-site sanitation in rural areas per year and the number of additional bucket sanitation systems removed from households per year will no longer be measured by the Department of Human Settlements, following the transfer of the sanitation function to the Department of Water and Sanitation.

### Mid-year progress

In the first quarter of 2014/15, no new municipalities were assessed for level 2 accreditation as a result of the executive decision to place the accreditation process on hold. In addition, performance has been slow in relation to the number of additional sites serviced in greenfields development, additional sites upgraded in brownfield developments, the number of informal settlements upgraded, and the number of residential units that have been completed. This is largely due to the higher cost of delivery arising from the higher subsidy quantum for sites serviced and housing units, as well as planning problems in provincial human settlements departments. This raises the concern that targets for the year will not be met. The slow progress in distributing subsidies related to the People's Housing Process is largely related to the fact that this is a demand driven subsidy and is reliant on beneficiary applications.

In the first six months of 2014/15, 41 municipalities were provided with, or are in the process of being provided with technical assistance for informal settlement upgrading through the national upgrading support programme. 748 informal settlement upgrading plans were completed or are nearing completion, resulting in an overachievement on this target to date. This is primarily as a result of the new indicator target being too modest. The data to determine the number of houses per hectare of land in integrated development projects is unavailable at present as the indicator is new, and new projects with denser development may take time to be completed.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	425 905	–	–	7 345	–	–	–	7 345	433 250
Human Settlements Policy, Strategy and Planning	89 396	–	–	(2 408)	–	–	–	(2 408)	86 988
Programme Delivery Support	298 475	–	–	(23 487)	(91 486)	–	–	(114 973)	183 502
Housing Development Finance	29 707 616	–	–	18 550	(1 012 301)	–	–	(993 751)	28 713 865
<b>Total</b>	<b>30 521 392</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(1 103 787)</b>	<b>–</b>	<b>–</b>	<b>(1 103 787)</b>	<b>29 417 605</b>

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>823 883</b>	-	-	(36 483)	(90 852)	-	-	(127 335)	<b>696 548</b>
Compensation of employees	390 000	-	-	(22 893)	(38 297)	-	-	(61 190)	328 810
Goods and services	433 883	-	-	(13 590)	(52 555)	-	-	(66 145)	367 738
<b>Transfers and subsidies</b>	<b>28 728 251</b>	-	-	<b>30 264</b>	<b>(47 624)</b>	-	-	<b>(17 360)</b>	<b>28 710 891</b>
Provinces and municipalities	27 716 677	-	-	-	(47 624)	-	-	(47 624)	27 669 053
Departmental agencies and accounts	1 002 070	-	-	21 171	-	-	-	21 171	1 023 241
Higher education institutions	3 906	-	-	593	-	-	-	593	4 499
Foreign governments and international organisations	1 113	-	-	-	-	-	-	-	1 113
Public corporations and private enterprises	-	-	-	4 000	-	-	-	4 000	4 000
Households	4 485	-	-	4 500	-	-	-	4 500	8 985
<b>Payments for capital assets</b>	<b>969 258</b>	-	-	<b>6 209</b>	<b>(965 311)</b>	-	-	<b>(959 102)</b>	<b>10 156</b>
Buildings and other fixed structures	964 677	-	-	-	(964 677)	-	-	(964 677)	-
Machinery and equipment	4 336	-	-	6 209	(634)	-	-	5 575	9 911
Software and other intangible assets	245	-	-	-	-	-	-	-	245
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>10</b>	-	-	-	<b>10</b>	<b>10</b>
<b>Total</b>	<b>30 521 392</b>	-	-	-	<b>(1 103 787)</b>	-	-	<b>(1 103 787)</b>	<b>29 417 605</b>

**Programme 1: Administration**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Ministry	32 998	-	-	11 400	-	-	-	11 400	44 398
Departmental Management	101 497	-	-	(1 035)	-	-	-	(1 035)	100 462
Corporate Services	207 407	-	-	(2 220)	-	-	-	(2 220)	205 187
Property Management	36 020	-	-	-	-	-	-	-	36 020
Financial Management	47 983	-	-	(800)	-	-	-	(800)	47 183
<b>Total</b>	<b>425 905</b>	-	-	<b>7 345</b>	-	-	-	<b>7 345</b>	<b>433 250</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>423 188</b>	-	-	<b>3 150</b>	-	-	-	<b>3 150</b>	<b>426 338</b>
Compensation of employees	191 709	-	-	(6 055)	-	-	-	(6 055)	185 654
Goods and services	231 479	-	-	9 205	-	-	-	9 205	240 684
<b>Transfers and subsidies</b>	<b>-</b>	-	-	<b>1 170</b>	-	-	-	<b>1 170</b>	<b>1 170</b>
Departmental agencies and accounts	-	-	-	1 170	-	-	-	1 170	1 170
<b>Payments for capital assets</b>	<b>2 717</b>	-	-	<b>3 015</b>	-	-	-	<b>3 015</b>	<b>5 732</b>
Machinery and equipment	2 472	-	-	3 015	-	-	-	3 015	5 487
Software and other intangible assets	245	-	-	-	-	-	-	-	245
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>10</b>	-	-	-	<b>10</b>	<b>10</b>
<b>Total</b>	<b>425 905</b>	-	-	<b>7 345</b>	-	-	-	<b>7 345</b>	<b>433 250</b>

**Programme 2: Human Settlements Policy, Strategy and Planning**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Management for Policy, Strategy and Planning	6 061	-	-	(668)	-	-	-	(668)	5 393
Human Settlements Policy Frameworks	29 655	-	-	(800)	-	-	-	(800)	28 855
Human Settlements Strategy and Planning	53 680	-	-	(940)	-	-	-	(940)	52 740
<b>Total</b>	<b>89 396</b>	-	-	<b>(2 408)</b>	-	-	-	<b>(2 408)</b>	<b>86 988</b>

**Programme 2: Human Settlements Policy, Strategy and Planning (continued)**

Economic classification		2014/15							Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation		
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
<b>Current payments</b>	<b>87 707</b>	-	-	<b>(7 706)</b>	-	-	-	<b>(7 706)</b>	<b>80 001</b>
Compensation of employees	63 562	-	-	(6 808)	-	-	-	(6 808)	56 754
Goods and services	24 145	-	-	(898)	-	-	-	(898)	23 247
<b>Transfers and subsidies</b>	<b>1 113</b>	-	-	<b>4 000</b>	-	-	-	<b>4 000</b>	<b>5 113</b>
Foreign governments and international organisations	1 113	-	-	-	-	-	-	-	1 113
Public corporations and private enterprises	-	-	-	4 000	-	-	-	4 000	4 000
<b>Payments for capital assets</b>	<b>576</b>	-	-	<b>1 298</b>	-	-	-	<b>1 298</b>	<b>1 874</b>
Machinery and equipment	576	-	-	1 298	-	-	-	1 298	1 874
<b>Total</b>	<b>89 396</b>	-	-	<b>(2 408)</b>	-	-	-	<b>(2 408)</b>	<b>86 988</b>

**Programme 3: Programme Delivery Support**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation		
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Management for Programme Delivery Support	6 665	-	-	-	-	-	-	-	6 665
Programme Management Unit	240 539	-	-	(26 870)	(91 486)	-	-	(118 356)	122 183
Chief of Operations	51 271	-	-	3 383	-	-	-	3 383	54 654
<b>Total</b>	<b>298 475</b>	-	-	<b>(23 487)</b>	<b>(91 486)</b>	-	-	<b>(114 973)</b>	<b>183 502</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>288 968</b>	-	-	<b>(30 426)</b>	<b>(90 852)</b>	-	-	<b>(121 278)</b>	<b>167 690</b>
Compensation of employees	117 006	-	-	(8 580)	(38 297)	-	-	(46 877)	70 129
Goods and services	171 962	-	-	(21 846)	(52 555)	-	-	(74 401)	97 561
<b>Transfers and subsidies</b>	<b>8 391</b>	-	-	<b>5 093</b>	-	-	-	<b>5 093</b>	<b>13 484</b>
Higher education institutions	3 906	-	-	593	-	-	-	593	4 499
Households	4 485	-	-	4 500	-	-	-	4 500	8 985
<b>Payments for capital assets</b>	<b>1 116</b>	-	-	<b>1 846</b>	<b>(634)</b>	-	-	<b>1 212</b>	<b>2 328</b>
Machinery and equipment	1 116	-	-	1 846	(634)	-	-	1 212	2 328
<b>Total</b>	<b>298 475</b>	-	-	<b>(23 487)</b>	<b>(91 486)</b>	-	-	<b>(114 973)</b>	<b>183 502</b>

**Programme 4: Housing Development Finance**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation		
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Management for Housing Development Finance	3 345	-	-	(770)	-	-	-	(770)	2 575
Chief Investment Officer	20 847	-	-	(681)	-	-	-	(681)	20 166
Human Settlements Development Grant	17 983 546	-	-	-	(899 177)	-	-	(899 177)	17 084 369
Contributions	1 002 070	-	-	20 001	-	-	-	20 001	1 022 071
Rural Households Infrastructure Grant	113 124	-	-	-	(113 124)	-	-	(113 124)	-
Urban Settlements Development Grant	10 284 684	-	-	-	-	-	-	-	10 284 684
Municipal Human Settlements Capacity Grant	300 000	-	-	-	-	-	-	-	300 000
<b>Total</b>	<b>29 707 616</b>	-	-	<b>18 550</b>	<b>(1 012 301)</b>	-	-	<b>(993 751)</b>	<b>28 713 865</b>



**Programme 4: Housing Development Finance (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	<b>24 020</b>	-	-	(1 501)	-	-	-	(1 501)	<b>22 519</b>
Compensation of employees	17 723	-	-	(1 450)	-	-	-	(1 450)	16 273
Goods and services	6 297	-	-	(51)	-	-	-	(51)	6 246
<b>Transfers and subsidies</b>	<b>28 718 747</b>	-	-	<b>20 001</b>	<b>(47 624)</b>	-	-	<b>(27 623)</b>	<b>28 691 124</b>
Provinces and municipalities	27 716 677	-	-	-	(47 624)	-	-	(47 624)	27 669 053
Departmental agencies and accounts	1 002 070	-	-	20 001	-	-	-	20 001	1 022 071
<b>Payments for capital assets</b>	<b>964 849</b>	-	-	<b>50</b>	<b>(964 677)</b>	-	-	<b>(964 627)</b>	<b>222</b>
Buildings and other fixed structures	964 677	-	-	-	(964 677)	-	-	(964 677)	-
Machinery and equipment	172	-	-	50	-	-	-	50	222
<b>Total</b>	<b>29 707 616</b>	-	-	<b>18 550</b>	<b>(1 012 301)</b>	-	-	<b>(993 751)</b>	<b>28 713 865</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Virements and shifts**

Programmes					
1. Administration					
2. Human Settlements Policy, Strategy and Planning					
3. Programme Delivery Support					
4. Housing Development Finance					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(10 250)</b>	<b>Programme 1</b>		<b>10 250</b>
Goods and services	Reallocation of funds from equipment less than R5 000	(3 015)	Machinery and equipment	Office equipment	3 015
	Reallocation of funds for training and development	(1 170)	Departmental agencies and accounts	Transfer of skills levy contribution to Public Service Sector Education and Training Authority <sup>1</sup>	1 170
	Reallocation of funds from various non-core goods and services items	(10)	Payments for financial assets	Losses due to motor vehicle accidents	10
Compensation of employees	Vacant posts	(6 055)	Goods and services	Goods and services in the ministry	6 055
Shifts within the programme as a percentage of the programme budget		2.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(7 946)</b>	<b>Programme 1</b>		<b>500</b>
Goods and services	Reallocation of funds from various non-core goods and services items	(500)	Goods and services	Goods and services in the ministry	500
	Reallocation of funds from equipment less than R5 000	(638)	<b>Programme 2</b>		<b>638</b>
			Machinery and equipment	Office equipment	638
Compensation of employees	Vacant posts	(1 468)	<b>Programme 1</b>		<b>1 908</b>
	Vacant posts	(440)	Goods and services	Goods and services in the ministry	1 468
	Vacant posts	(240)	Goods and services	Goods and services in the ministry	440
	Vacant posts	(660)	<b>Programme 2</b>		<b>4 900</b>
	Vacant posts	(4 000)	Goods and services	Catering for departmental activities	240
			Machinery and equipment	Office equipment	660
			Public corporations and private enterprises	Transfer to the Council for Scientific and Industrial Research for the review of guidelines on human settlements <sup>1</sup>	4 000
Shifts within the programme as a percentage of the programme budget		6.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.7%</b>			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>			<b>Programme 3</b>		
Goods and services	Reallocation of funds from equipment less than R5 000	(1 846)	Machinery and equipment	Office equipment	1 846
	Reallocation of funds from consultants	(20 000)	<b>Programme 4</b>		
			Departmental agencies and accounts	Funding for the Housing Development Agency's rollout of the national upgrading support programme <sup>1</sup>	20 000
Compensation of employees	Vacant posts	(3 487)	<b>Programme 1</b>		
			Goods and services	Goods and services in the ministry	3 487
	Vacant posts <sup>1</sup>	(4 500)	<b>Programme 3</b>		
			Households	Scholarship programme <sup>1</sup>	4 500
	Vacant posts	(593)	Higher education institutions	Transfer to the Nelson Mandela Metropolitan University for the chair of human settlements <sup>1</sup>	593
Shifts within the programme as a percentage of the programme budget		2.3%			
Virements to other programmes as a percentage of the programme budget		7.9%			
<b>Programme 4</b>			<b>Programme 4</b>		
Goods and services	Reallocation of funds from equipment less than R5 000	(50)	Machinery and equipment	Office equipment	50
	Reallocation of funds from various non-core goods and services items	(1)	Departmental agencies and accounts	Transfer to the National Home Builders Registration Council for stipends for the youth builders training initiative <sup>1</sup>	1
Compensation of employees	Vacant posts	(1 450)	<b>Programme 1</b>		
			Goods and services	Goods and services in the ministry	1 450
Departmental agencies and accounts	Reallocation of funds from the Social Housing Regulatory Authority restructuring capital grant <sup>1</sup>	(230 000)	<b>Programme 4</b>		
			Departmental agencies and accounts	Transfer to recapitalise the National Housing Finance Corporation <sup>1</sup>	230 000
Shifts within the programme as a percentage of the programme budget		0.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(280 123)</b>	<b>280 123</b>		

<sup>1</sup>. National Treasury approval has been obtained.

### Funds shifted between votes following the transfer of a function – R1.104 billion

R1.104 billion has been transferred to the Department of Water and Sanitation as part of the national macro organisation of the state process relating to the shift of the sanitation function. This amount consists of the following expenditure items: R91.486 million in operational expenditure related to the national sanitation programme; R47.624 million for the direct portion of the rural household infrastructure grant; R65.5 million for the indirect portion of the rural household infrastructure grant; and R899.177 million for the indirect portion of the human settlements development grant for the bucket eradication programme.

### Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	R thousand	Audited outcome			Actual expenditure		Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted appropriation	% of
Adjusted appropriation		Apr 13 - Sep 13	adjusted % of	Apr 13 - Mar 14	adjusted % of					
Administration	422 399	146 089	34.6	297 799	70.5	433 250	1.5	154 390	35.6	
Human Settlements Policy, Strategy and Planning	84 055	29 269	34.8	73 327	87.2	86 988	0.3	37 638	43.3	
Programme Delivery Support	132 934	20 399	15.3	81 345	61.2	183 502	0.6	49 643	27.1	
Housing Development Finance	27 336 040	8 830 650	32.3	26 990 843	98.7	28 713 865	97.6	11 181 108	38.9	
<b>Total</b>	<b>27 975 428</b>	<b>9 026 407</b>	<b>32.3</b>	<b>27 443 314</b>	<b>98.1</b>	<b>29 417 605</b>	<b>100.0</b>	<b>11 422 779</b>	<b>38.8</b>	

Economic classification	2013/14					2014/15			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 13 - Sep 13 appropriation	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14 appropriation	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14 appropriation	Apr 14 - Sep 14 % of adjusted appropriation
<b>Current payments</b>	<b>700 228</b>	<b>212 207</b>	<b>30.3</b>	<b>454 543</b>	<b>64.9</b>	<b>696 548</b>	<b>2.4</b>	<b>238 590</b>	<b>34.3</b>
Compensation of employees	326 934	114 457	35.0	240 226	73.5	328 810	1.1	139 991	42.6
Goods and services	373 294	97 750	26.2	214 281	57.4	367 738	1.3	98 578	26.8
Interest and rent on land	–	–	0.0	36	0.0	–	0.0	21	0.0
<b>Transfers and subsidies</b>	<b>27 265 566</b>	<b>8 811 625</b>	<b>32.3</b>	<b>26 979 746</b>	<b>99.0</b>	<b>28 710 891</b>	<b>97.6</b>	<b>11 180 965</b>	<b>38.9</b>
Provinces and municipalities	26 105 232	8 660 125	33.2	26 105 232	100.0	27 669 053	94.1	10 859 165	39.2
Departmental agencies and accounts	1 150 751	148 748	12.9	864 648	75.1	1 023 241	3.5	314 003	30.7
Higher education institutions	3 749	–	0.0	3 949	105.3	4 499	0.0	–	0.0
Foreign governments and international organisations	1 550	–	0.0	1 075	69.4	1 113	0.0	–	0.0
Households	4 284	2 752	64.2	4 842	113.0	8 985	0.0	7 797	86.8
<b>Payments for capital assets</b>	<b>9 634</b>	<b>2 533</b>	<b>26.3</b>	<b>8 870</b>	<b>92.1</b>	<b>10 156</b>	<b>0.0</b>	<b>3 180</b>	<b>31.3</b>
Machinery and equipment	9 199	2 432	26.4	8 173	88.8	9 911	0.0	3 106	31.3
Software and other intangible assets	435	101	23.2	697	160.2	245	0.0	74	30.2
<b>Payments for financial assets</b>	<b>–</b>	<b>42</b>	<b>0.0</b>	<b>155</b>	<b>0.0</b>	<b>10</b>	<b>0.0</b>	<b>44</b>	<b>440.0</b>
<b>Total</b>	<b>27 975 428</b>	<b>9 026 407</b>	<b>32.3</b>	<b>27 443 314</b>	<b>98.1</b>	<b>29 417 605</b>	<b>100.0</b>	<b>11 422 779</b>	<b>38.8</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 98.1 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R11.423 billion, or 38.8 per cent of the adjusted appropriation of R29.418 billion for the year. In comparison, mid-year expenditure in 2013/14 was R9.026 billion, or 32.3 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R2.396 billion, or 26.5 per cent. This was mainly due to increased transfers of the urban settlements development grant to metropolitan municipalities, as well as an increase in transfers to the National Housing Finance Corporation, compared to the same period in the previous year.

### Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>6 584</b>	<b>6 278</b>	<b>95.4</b>	<b>763</b>	<b>11.6</b>	<b>630</b>	<b>1 141</b>	<b>100.0</b>	<b>618</b>	<b>54.2</b>
Sales of goods and services produced by department	184	93	50.5	190	103.3	186	205	18.0	101	49.3
Sales of scrap, waste, arms and other used current goods	4	2	50.0	3	75.0	2	6	0.5	3	50.0
Interest, dividends and rent on land	36	18	50.0	63	175.0	61	430	37.7	211	49.1
Transactions in financial assets and liabilities	6 360	6 165	96.9	507	8.0	381	500	43.8	303	60.6
<b>Total</b>	<b>6 584</b>	<b>6 278</b>	<b>95.4</b>	<b>763</b>	<b>11.6</b>	<b>630</b>	<b>1 141</b>	<b>100.0</b>	<b>618</b>	<b>54.2</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R618 000, or 54.2 per cent of the adjusted revenue estimate of R1.141 million for the year. In comparison, mid-year revenue in 2013/14 was R6.278 million, or 95.4 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R5.660 million, or 90.2 per cent. This was mainly because there was an overstatement of revenue in the first six months of 2013/14 and as a result, total revenue was R763 000, or 11.6 per cent of the adjusted estimate for 2013/14. Revenue for the first six months of 2014/15

is largely as a result of interest on debt accrued from suppliers and staff, and costs recovered from staff for various items such as unearned leave gratuities.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	1 170	-	-	-	1 170	1 170
Public Services Sector Education and Training Authority	-	-	-	1 170	-	-	-	1 170	1 170
<b>Human Settlements Policy, Strategy and Planning</b>									
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	-	-	-	4 000	-	-	-	4 000	4 000
Council for Scientific and Industrial Research	-	-	-	4 000	-	-	-	4 000	4 000
<b>Programme Delivery</b>									
<b>Support</b>									
<b>Higher education institutions</b>									
<b>Current</b>	3 906	-	-	593	-	-	-	593	4 499
Nelson Mandela Metropolitan University	3 906	-	-	593	-	-	-	593	4 499
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	4 485	-	-	4 500	-	-	-	4 500	8 985
Bursaries for non-employees	4 485	-	-	4 500	-	-	-	4 500	8 985
<b>Housing Development</b>									
<b>Finance</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Capital</b>	47 624	-	-	-	-	-	(47 624)	(47 624)	-
Rural households infrastructure grant	47 624	-	-	-	-	-	(47 624)	(47 624)	-
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	101 047	-	-	20 001	-	-	-	20 001	121 048
National Home Builders Registration Council	-	-	-	1	-	-	-	1	1
Housing Development Agency	101 047	-	-	20 000	-	-	-	20 000	121 047
<b>Capital</b>	827 543	-	-	-	-	-	-	-	827 543
National Housing Finance Corporation	-	-	-	230 000	-	-	-	230 000	230 000
Social Housing Regulatory Authority	827 543	-	-	(230 000)	-	-	-	(230 000)	597 543

## Summary of changes to conditional grants: Local government

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Housing Development Finance	10 632 308	-	-	-	(47 624)	-	-	(47 624)	10 584 684
Rural households infrastructure grant	47 624	-	-	-	(47 624)	-	-	(47 624)	-



## Mineral Resources

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 471 291</b>	<b>1 475 541</b>	-	4 250
<b>of which:</b>				
Current payments	742 339	744 340	-	2 001
Transfers and subsidies	717 934	719 443	-	1 509
Payments for capital assets	11 018	11 758	-	740
Executive authority	Minister of Mineral Resources			
Accounting officer	Director-General of Mineral Resources			
Website address	www.dmr.gov.za			

### Aim

*Promote and regulate the minerals and mining sector for transformation, growth and development. Ensure that all South Africans derive sustainable benefits from the country's mineral wealth.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of occupational health and safety inspections and mine audits conducted per year	Promotion of Mine Safety and Health	Outcome 4: Decent employment through inclusive economic growth	8 396	4 846	-
Number of rights and permits granted to historically disadvantaged South Africans per year	Mineral Regulation		200	101	-
Number of industry workshops on compliance issues conducted per year	Mineral Regulation		9	1	-
Number of social and labour plans inspections per year	Mineral Regulation		250	134	-
Number of environmental authorisation inspections per year	Mineral Regulation	Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced	1 700	1 111	-
Number of publications per year	Mineral Policy and Promotion	Outcome 4: Decent employment through inclusive economic growth	13	3	-
Number of policies and regulations reviewed and amended per year	Mineral Policy and Promotion		3	0	-
Number of derelict and ownerless mines rehabilitated per year	Mineral Policy and Promotion	Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced	50	17	-
Number of SMMEs supported (new and established) per year	Mineral Policy and Promotion	Outcome 4: Decent employment through inclusive economic growth	67	41	-

### Mid-year progress

The number of occupational health and safety inspections and mine audits conducted within the first six months of the year was 4 846 against an annual target of 8 396. The mid-year target was exceeded due to the department's consistent efforts to reduce the number of deaths in mines as a result of unsafe environments.

While the Mineral and Petroleum Resources Development Bill was approved by Cabinet in 2013/14, the bill has not yet been signed into law. This has resulted in slower progress in the revision of regulations, as the regulations derive from the Mineral and Petroleum Resources Development Act. For the same reason, only 1

industry workshop on compliance issues was conducted in the first half of 2014/15 against an annual target of 9.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	284 174	-	-	13 439	-	-	-	13 439	297 613
Promotion of Mine Safety and Health	167 970	-	-	4 031	-	-	-	4 031	172 001
Mineral Regulation	231 365	-	4 250	1 100	-	-	-	5 350	236 715
Mineral Policy and Promotion	787 782	-	-	(18 570)	-	-	-	(18 570)	769 212
<b>Total</b>	<b>1 471 291</b>	<b>-</b>	<b>4 250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 250</b>	<b>1 475 541</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>742 339</b>	<b>-</b>	<b>1 510</b>	<b>491</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 001</b>	<b>744 340</b>
Compensation of employees	476 757	-	-	15 239	-	-	-	15 239	491 996
Goods and services	265 582	-	1 510	(14 748)	-	-	-	(13 238)	252 344
<b>Transfers and subsidies</b>	<b>717 934</b>	<b>-</b>	<b>-</b>	<b>1 509</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 509</b>	<b>719 443</b>
Departmental agencies and accounts	340 846	-	-	6 430	-	-	-	6 430	347 276
Public corporations and private enterprises	375 775	-	-	(4 921)	-	-	-	(4 921)	370 854
Households	1 313	-	-	-	-	-	-	-	1 313
<b>Payments for capital assets</b>	<b>11 018</b>	<b>-</b>	<b>2 740</b>	<b>(2 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>740</b>	<b>11 758</b>
Buildings and other fixed structures	2 792	-	1 000	-	-	-	-	1 000	3 792
Machinery and equipment	8 226	-	1 740	(2 000)	-	-	-	(260)	7 966
<b>Total</b>	<b>1 471 291</b>	<b>-</b>	<b>4 250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 250</b>	<b>1 475 541</b>

### Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Ministry	24 208	-	-	1 400	-	-	-	1 400	25 608
Corporate Services	106 507	-	-	12 077	-	-	-	12 077	118 584
Department Management	19 477	-	-	5 000	-	-	-	5 000	24 477
Financial Administration	92 304	-	-	(4 600)	-	-	-	(4 600)	87 704
Internal Audit	13 245	-	-	(438)	-	-	-	(438)	12 807
Office Accommodation	28 433	-	-	-	-	-	-	-	28 433
<b>Total</b>	<b>284 174</b>	<b>-</b>	<b>-</b>	<b>13 439</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 439</b>	<b>297 613</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>272 606</b>	<b>-</b>	<b>-</b>	<b>14 009</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 009</b>	<b>286 615</b>
Compensation of employees	147 121	-	-	6 462	-	-	-	6 462	153 583
Goods and services	125 485	-	-	7 547	-	-	-	7 547	133 032
<b>Transfers and subsidies</b>	<b>1 313</b>	<b>-</b>	<b>-</b>	<b>1 430</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 430</b>	<b>2 743</b>
Departmental agencies and accounts	-	-	-	1 430	-	-	-	1 430	1 430
Households	1 313	-	-	-	-	-	-	-	1 313
<b>Payments for capital assets</b>	<b>10 255</b>	<b>-</b>	<b>-</b>	<b>(2 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 000)</b>	<b>8 255</b>
Buildings and other fixed structures	2 792	-	-	-	-	-	-	-	2 792
Machinery and equipment	7 463	-	-	(2 000)	-	-	-	(2 000)	5 463
<b>Total</b>	<b>284 174</b>	<b>-</b>	<b>-</b>	<b>13 439</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 439</b>	<b>297 613</b>

### Programme 2: Promotion of Mine Safety and Health

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Governance Policy and Oversight	50 202	-	-	3 459	-	-	-	3 459	53 661
Mine Health and Safety Regions	117 768	-	-	572	-	-	-	572	118 340
<b>Total</b>	<b>167 970</b>	<b>-</b>	<b>-</b>	<b>4 031</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 031</b>	<b>172 001</b>



**Programme 2: Promotion of Mine Safety and Health (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>162 177</b>	–	–	<b>4 031</b>	–	–	–	<b>4 031</b>	<b>166 208</b>
Compensation of employees	129 454	–	–	4 100	–	–	–	4 100	133 554
Goods and services	32 723	–	–	(69)	–	–	–	(69)	32 654
<b>Transfers and subsidies</b>	<b>5 197</b>	–	–	–	–	–	–	–	<b>5 197</b>
Departmental agencies and accounts	5 197	–	–	–	–	–	–	–	5 197
<b>Payments for capital assets</b>	<b>596</b>	–	–	–	–	–	–	–	<b>596</b>
Machinery and equipment	596	–	–	–	–	–	–	–	596
<b>Total</b>	<b>167 970</b>	–	–	<b>4 031</b>	–	–	–	<b>4 031</b>	<b>172 001</b>

**Programme 3: Mineral Regulation**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Mineral Regulation and Administration	154 539	–	4 250	9 000	–	–	–	13 250	167 789
Management Mineral Regulation	29 016	–	–	(7 900)	–	–	–	(7 900)	21 116
South African Diamond and Precious Metal Regulator	47 810	–	–	–	–	–	–	–	47 810
<b>Total</b>	<b>231 365</b>	–	<b>4 250</b>	<b>1 100</b>	–	–	–	<b>5 350</b>	<b>236 715</b>
<b>Economic classification</b>	<b>183 522</b>	–	<b>1 510</b>	<b>1 100</b>	–	–	–	<b>2 610</b>	<b>186 132</b>
<b>Current payments</b>	<b>142 343</b>	–	–	7 700	–	–	–	7 700	150 043
Compensation of employees	142 343	–	–	7 700	–	–	–	7 700	150 043
Goods and services	41 179	–	1 510	(6 600)	–	–	–	(5 090)	36 089
<b>Transfers and subsidies</b>	<b>47 810</b>	–	–	–	–	–	–	–	<b>47 810</b>
Departmental agencies and accounts	47 810	–	–	–	–	–	–	–	47 810
<b>Payments for capital assets</b>	<b>33</b>	–	<b>2 740</b>	–	–	–	–	<b>2 740</b>	<b>2 773</b>
Buildings and other fixed structures	–	–	1 000	–	–	–	–	1 000	1 000
Machinery and equipment	33	–	1 740	–	–	–	–	1 740	1 773
<b>Total</b>	<b>231 365</b>	–	<b>4 250</b>	<b>1 100</b>	–	–	–	<b>5 350</b>	<b>236 715</b>

**Programme 4: Mineral Policy and Promotion**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Management	14 342	–	–	(1 565)	–	–	–	(1 565)	12 777
Mineral Policy	17 921	–	–	21 264	–	–	–	21 264	39 185
Mineral Promotion	59 736	–	–	(18 289)	–	–	–	(18 289)	41 447
Assistance to Mines	19 080	–	–	(19 080)	–	–	–	(19 080)	–
Council for Geoscience	287 839	–	–	5 000	–	–	–	5 000	292 839
Council for Mineral Technology	338 456	–	–	32 398	–	–	–	32 398	370 854
Economic Advisory Services	4 445	–	–	(1 500)	–	–	–	(1 500)	2 945
Mine Environmental Management	45 963	–	–	(36 798)	–	–	–	(36 798)	9 165
<b>Total</b>	<b>787 782</b>	–	–	<b>(18 570)</b>	–	–	–	<b>(18 570)</b>	<b>769 212</b>
<b>Economic classification</b>	<b>124 034</b>	–	–	<b>(18 649)</b>	–	–	–	<b>(18 649)</b>	<b>105 385</b>
<b>Current payments</b>	<b>57 839</b>	–	–	<b>(3 023)</b>	–	–	–	<b>(3 023)</b>	<b>54 816</b>
Compensation of employees	57 839	–	–	(3 023)	–	–	–	(3 023)	54 816
Goods and services	66 195	–	–	(15 626)	–	–	–	(15 626)	50 569
<b>Transfers and subsidies</b>	<b>663 614</b>	–	–	<b>79</b>	–	–	–	<b>79</b>	<b>663 693</b>
Departmental agencies and accounts	287 839	–	–	5 000	–	–	–	5 000	292 839
Public corporations and private enterprises	375 775	–	–	(4 921)	–	–	–	(4 921)	370 854
<b>Payments for capital assets</b>	<b>134</b>	–	–	–	–	–	–	–	<b>134</b>
Machinery and equipment	134	–	–	–	–	–	–	–	134
<b>Total</b>	<b>787 782</b>	–	–	<b>(18 570)</b>	–	–	–	<b>(18 570)</b>	<b>769 212</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Unforeseeable and unavoidable expenditure – R4.250 million

#### Programme 3: Mineral Regulation

An additional R4.250 million has been allocated for relocation costs for the department's Gauteng regional office, which was damaged by fire.

Of this amount, R2.740 million will be allocated to capital assets and R1.510 million allocated to goods and services.

### Virements and shifts

Programmes					
1. Administration					
2. Promotion of Mine Safety and Health					
3. Mineral Regulation					
4. Mineral Policy and Promotion					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(3 430)</b>	<b>Programme 1</b>		<b>3 430</b>
Goods and services	Reallocation of funds from training and development	(1 430)	Departmental agencies and accounts	Training and development administrative fees for the Mining Qualification Authority and the Public Service Sector Education and Training Authority <sup>1</sup>	1 430
Machinery and equipment	Reallocation of funds from office furniture <sup>1</sup>	(2 000)	Goods and services	Operating leases for office accommodation <sup>1</sup>	2 000
Shifts within the programme as a percentage of the programme budget		1.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(69)</b>	<b>Programme 1</b>		<b>69</b>
Goods and services	Reallocation of funds from operating leases	(69)	Goods and services	Operating leases for office accommodation	69
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(6 600)</b>	<b>Programme 1</b>		<b>6 600</b>
Goods and services	Reallocation of funds from operating leases	(6 600)	Goods and services	Operating leases for office accommodation	6 600
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.9%</b>			
<b>Programme 4</b>		<b>(78 048)</b>	<b>Programme 1</b>		<b>308</b>
Goods and services	Cost containment measures effected on operating leases	(308)	Goods and services	Operating leases for office accommodation	308
	Cost containment measures effected on contractors <sup>1</sup>	(5 000)	<b>Programme 4</b>		<b>37 398</b>
	Cost containment measures effected on contractors <sup>1</sup>	(32 398)	Departmental agencies and accounts	Rehabilitation of derelict and ownerless mines project <sup>1</sup>	5 000
			Public corporations and private enterprises	Rehabilitation of derelict and ownerless mines project <sup>1</sup>	32 398
Compensation of employees	Vacant posts	(3 023)	<b>Programme 3</b>		<b>3 023</b>
			Compensation of employees	Shortfall in compensation of employees <sup>1</sup>	3 023
Public corporations and private enterprises	Reallocation of funds from transfers and subsidies <sup>1</sup>	(6 462)	<b>Programme 1</b>		<b>6 462</b>
			Compensation of employees	Shortfall in compensation of employees <sup>1</sup>	6 462
	Reallocation of funds from transfers and subsidies <sup>1</sup>	(4 100)	<b>Programme 2</b>		<b>4 100</b>
			Compensation of employees	Shortfall in compensation of employees <sup>1</sup>	4 100
	Reallocation of funds from transfers and subsidies <sup>1</sup>	(4 677)	<b>Programme 3</b>		<b>4 677</b>
			Compensation of employees	Shortfall in compensation of employees <sup>1</sup>	4 677

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Reallocation of funds from transfers and subsidies <sup>1</sup>	(22 080)	<b>Programme 4</b>		<b>22 080</b>
			Goods and services	Start-up capital for the automation of processes relating to licences and compliance; collection of mining charter compliance information; and payment for the Association of African Diamond Producing Countries <sup>1</sup>	22 080
Shifts within the programme as a percentage of the programme budget		7.6%			
Virements to other programmes as a percentage of the programme budget		2.4%			
<b>Total</b>		<b>(88 147)</b>	<b>88 147</b>		

1. National Treasury approval has been obtained.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
Administration	282 280	164 472	58.3	308 572	109.3	297 613	20.2	162 342	54.5	
Promotion of Mine Safety and Health	163 731	79 488	48.5	153 220	93.6	172 001	11.7	87 984	51.2	
Mineral Regulation	211 908	99 815	47.1	205 521	97.0	236 715	16.0	116 347	49.2	
Mineral Policy and Promotion	735 930	401 572	54.6	719 906	97.8	769 212	52.1	465 609	60.5	
<b>Total</b>	<b>1 393 849</b>	<b>745 347</b>	<b>53.5</b>	<b>1 387 219</b>	<b>99.5</b>	<b>1 475 541</b>	<b>100.0</b>	<b>832 282</b>	<b>56.4</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>708 089</b>	<b>344 318</b>	<b>48.6</b>	<b>684 802</b>	<b>96.7</b>	<b>744 340</b>	<b>50.4</b>	<b>373 716</b>	<b>50.2</b>	
Compensation of employees	444 115	218 673	49.2	435 251	98.0	491 996	33.3	245 304	49.9	
Goods and services	263 974	125 645	47.6	249 551	94.5	252 344	17.1	128 412	50.9	
<b>Transfers and subsidies</b>	<b>669 879</b>	<b>390 478</b>	<b>58.3</b>	<b>688 499</b>	<b>102.8</b>	<b>719 443</b>	<b>48.8</b>	<b>456 292</b>	<b>63.4</b>	
Departmental agencies and accounts	321 091	206 927	64.4	321 091	100.0	347 276	23.5	240 336	69.2	
Public corporations and private enterprises	345 749	181 400	52.5	364 709	105.5	370 854	25.1	211 150	56.9	
Households	3 039	2 151	70.8	2 699	88.8	1 313	0.1	4 806	366.0	
<b>Payments for capital assets</b>	<b>15 881</b>	<b>10 549</b>	<b>66.4</b>	<b>13 908</b>	<b>87.6</b>	<b>11 758</b>	<b>0.8</b>	<b>2 274</b>	<b>19.3</b>	
Buildings and other fixed structures	1 800	73	4.1	92	5.1	3 792	0.3	1 414	37.3	
Machinery and equipment	14 081	10 476	74.4	13 816	98.1	7 966	0.5	860	10.8	
<b>Payments for financial assets</b>	<b>-</b>	<b>2</b>	<b>0.0</b>	<b>10</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	
<b>Total</b>	<b>1 393 849</b>	<b>745 347</b>	<b>53.5</b>	<b>1 387 219</b>	<b>99.5</b>	<b>1 475 541</b>	<b>100.0</b>	<b>832 282</b>	<b>56.4</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R832.282 million, or 56.4 per cent of the adjusted appropriation of R1.476 billion for the year. In comparison, mid-year expenditure in 2013/14 was R745.347 million, or 53.5 per cent of the 2013/14 adjusted appropriation. Compared to expenditure in the first six months of 2013/14, expenditure in the same period in 2014/15 increased by R86.935 million or 11.7 per cent. This is mainly due to the filling of vacant posts and inflationary adjustments to the baseline.

## Departmental receipts

	2013/14					2014/15				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>41 648</b>	<b>20 821</b>	<b>50.0</b>	<b>109 034</b>	<b>261.8</b>	<b>54 679</b>	<b>45 113</b>	<b>100.0</b>	<b>23 372</b>	<b>51.8</b>
Sales of goods and services produced by department	2 554	1 277	50.0	2 415	94.6	3 394	2 627	5.8	1 304	49.6
Sales of scrap, waste, arms and other used current goods	6	-	0.0	1	16.7	7	2	0.0	-	0.0
Fines, penalties and forfeits	1 226	613	50.0	1 115	90.9	947	924	2.0	462	50.0
Interest, dividends and rent on land	37 064	18 532	50.0	104 938	283.1	49 525	39 736	88.1	20 122	50.6
Transactions in financial assets and liabilities	798	399	50.0	565	70.8	806	1 824	4.1	1 484	81.4
<b>Total</b>	<b>41 648</b>	<b>20 821</b>	<b>50.0</b>	<b>109 034</b>	<b>261.8</b>	<b>54 679</b>	<b>45 113</b>	<b>100.0</b>	<b>23 372</b>	<b>51.8</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R23.372 million, or 51.8 per cent of the adjusted revenue estimate of R45.113 million for the year. In comparison, mid-year revenue in 2013/14 was R20.821 million, or 50 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R2.551 million or 12.3 per cent. This is mainly due to royalty payments, which the department is still receiving from old order mining rights and which need to be converted to new order mining rights. This process has to be completed before the South African Revenue Service can receive the royalty payments.

## Changes to transfers and subsidies, including conditional grants

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

	2014/15							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		
R thousand								
<b>Administration</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	-	-	-	1 430	-	-	1 430	1 430
Mining Qualification Authority	-	-	-	1 216	-	-	1 216	1 216
Public Services Sector	-	-	-	214	-	-	214	214
Education and Training Authority								
<b>Mineral Policy and Promotion</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	260 083	-	-	5 000	-	-	5 000	265 083
Council for Geoscience	260 083	-	-	5 000	-	-	5 000	265 083
<b>Public corporations and private enterprises</b>								
<b>Public corporations</b>								
<b>Subsidies on production or products</b>								
<b>Current</b>	306 616	-	-	14 159	-	-	14 159	320 775
Industrial Development Corporation of South Africa	18 239	-	-	(18 239)	-	-	(18 239)	-
Council for Mineral Technology	288 377	-	-	32 398	-	-	32 398	320 775
<b>Public corporations and private enterprises</b>								
<b>Private enterprises</b>								
<b>Subsidies on production or products</b>								
<b>Current</b>	19 080	-	-	(19 080)	-	-	(19 080)	-
Marginal mines	19 080	-	-	(19 080)	-	-	(19 080)	-

# Vote 33

## Rural Development and Land Reform

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>9 455 305</b>	<b>9 455 305</b>	-	-
<b>of which:</b>				
Current payments	3 549 599	3 675 491	-	125 892
Transfers and subsidies	5 881 659	5 721 864	(159 795)	-
Payments for capital assets	24 047	57 950	-	33 903
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

*Create and maintain an equitable and sustainable land dispensation and act as a catalyst in rural development to ensure sustainable rural livelihoods, decent work and continued social economic advancement for all South Africans.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of hectares acquired per year	Land Reform	Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all	390 000ha	42 958ha	-
Number of new farms recapitalised per year	Land Reform		719	99	303
Number of State Domestic Facilities (SDFs) surveyed per year	National Geomatics Management Services		1 500	434	-
Number of land claims finalised per year	Restitution		239	144	-
Number of enterprise opportunities facilitated and coordinated in rural development initiatives (agriculture and other sectors) by government stakeholders per year	Rural Development		210	78	-
Number of new participants in the national rural youth services corps per year	Rural Development		5 000	1 507	-
Number of socioeconomic infrastructure projects coordinated and facilitated per year	Rural Development		31	118	200

#### Changes to indicators and targets published in the 2014 ENE

Following a comprehensive service review, the department reprioritised funds from the Land Reform programme to the Rural Development programme through the virement process. This led to the revision of targets for these programmes. The target for the number of farms recapitalised per year has thus been revised downwards from 719 to 303. On the other hand, the target for the number of socioeconomic infrastructure projects coordinated and facilitated per year will increase from 31 to 200, due to the need to speed up the comprehensive rural development programme.

Mid-year progress

By mid-year, 434 state domestic facilities were surveyed against a target of 1 500 for the year. The number of state domestic facilities surveyed is lower than expected mainly due to capacity challenges within the *National Geomatics Management Services* programme and delays in the implementation of the Spatial Planning and Land Use Management Act (2011).

The number of new participants enlisted for the national rural youth services corps was less than the target in the first half of 2014/15 year due to the need to complete the training of existing participants before enlisting more new participants.

42 958 hectares of land were acquired during the first six months. The reorganisation of the land reform programme, which included the establishment of the Office of the Valuer General, resulted in fewer hectares of land being acquired in the first half of 2014/15.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	1 169 693	–	–	179 059	–	–	–	179 059	1 348 752
National Geomatics Management Services	774 865	–	–	(29 059)	–	–	–	(29 059)	745 806
Rural Development	2 011 619	–	–	–	–	–	–	–	2 011 619
Restitution	2 680 742	–	–	–	–	–	–	–	2 680 742
Land Reform	2 818 386	–	–	(150 000)	–	–	–	(150 000)	2 668 386
<b>Total</b>	<b>9 455 305</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>9 455 305</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>3 549 599</b>	<b>–</b>	<b>–</b>	<b>125 892</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>125 892</b>	<b>3 675 491</b>
Compensation of employees	2 195 839	–	–	(196 086)	–	–	–	(196 086)	1 999 753
Goods and services	1 353 760	–	–	321 978	–	–	–	321 978	1 675 738
<b>Transfers and subsidies</b>	<b>5 881 659</b>	<b>–</b>	<b>–</b>	<b>(159 795)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(159 795)</b>	<b>5 721 864</b>
Provinces and municipalities	163	–	–	64 290	–	–	–	64 290	64 453
Departmental agencies and accounts	2 068 517	–	–	(215 870)	–	–	–	(215 870)	1 852 647
Foreign governments and international organisations	1 450	–	–	–	–	–	–	–	1 450
Public corporations and private enterprises	1	–	–	–	–	–	–	–	1
Non-profit institutions	3 020	–	–	–	–	–	–	–	3 020
Households	3 808 508	–	–	(8 215)	–	–	–	(8 215)	3 800 293
<b>Payments for capital assets</b>	<b>24 047</b>	<b>–</b>	<b>–</b>	<b>33 903</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>33 903</b>	<b>57 950</b>
Buildings and other fixed structures	–	–	–	6 159	–	–	–	6 159	6 159
Machinery and equipment	22 593	–	–	27 641	–	–	–	27 641	50 234
Software and other intangible assets	1 454	–	–	103	–	–	–	103	1 557
<b>Total</b>	<b>9 455 305</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>9 455 305</b>

### Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	26 820	–	–	9 437	–	–	–	9 437	36 257
Management	161 038	–	–	(17 578)	–	–	–	(17 578)	143 460
Internal Audit	63 246	–	–	(15 000)	–	–	–	(15 000)	48 246
Corporate Services	398 725	–	–	48 090	–	–	–	48 090	446 815
Financial Services	173 307	–	–	16 110	–	–	–	16 110	189 417
Provincial Coordination	284 466	–	–	8 000	–	–	–	8 000	292 466
Office Accommodation	62 091	–	–	130 000	–	–	–	130 000	192 091
<b>Total</b>	<b>1 169 693</b>	<b>–</b>	<b>–</b>	<b>179 059</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>179 059</b>	<b>1 348 752</b>

**Programme 1: Administration (continued)**

Economic classification		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
<b>Current payments</b>	<b>1 134 837</b>	-	-	<b>153 847</b>	-	-	-	<b>153 847</b>	<b>1 288 684</b>
Compensation of employees	684 707	-	-	(2 294)	-	-	-	(2 294)	682 413
Goods and services	450 130	-	-	156 141	-	-	-	156 141	606 271
<b>Transfers and subsidies</b>	<b>25 397</b>	-	-	<b>12 526</b>	-	-	-	<b>12 526</b>	<b>37 923</b>
Provinces and municipalities	113	-	-	11	-	-	-	11	124
Departmental agencies and accounts	3 401	-	-	1	-	-	-	1	3 402
Households	21 883	-	-	12 514	-	-	-	12 514	34 397
<b>Payments for capital assets</b>	<b>9 459</b>	-	-	<b>12 686</b>	-	-	-	<b>12 686</b>	<b>22 145</b>
Buildings and other fixed structures	-	-	-	3 500	-	-	-	3 500	3 500
Machinery and equipment	9 459	-	-	9 186	-	-	-	9 186	18 645
<b>Total</b>	<b>1 169 693</b>	-	-	<b>179 059</b>	-	-	-	<b>179 059</b>	<b>1 348 752</b>

**Programme 2: National Geomatics Management Services**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
National Geomatics Management Services	460 509	-	-	-	-	-	-	-	460 509
Spatial Planning and Land Use Management	198 142	-	-	(29 059)	-	-	-	(29 059)	169 083
Registration of Deeds Trading Account	113 194	-	-	-	-	-	-	-	113 194
South African Council for Planners	3 020	-	-	-	-	-	-	-	3 020
<b>Total</b>	<b>774 865</b>	-	-	<b>(29 059)</b>	-	-	-	<b>(29 059)</b>	<b>745 806</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>648 970</b>	-	-	<b>(30 618)</b>	-	-	-	<b>(30 618)</b>	<b>618 352</b>
Compensation of employees	480 805	-	-	(44 059)	-	-	-	(44 059)	436 746
Goods and services	168 165	-	-	13 441	-	-	-	13 441	181 606
<b>Transfers and subsidies</b>	<b>117 764</b>	-	-	-	-	-	-	-	<b>117 764</b>
Provinces and municipalities	20	-	-	-	-	-	-	-	20
Departmental agencies and accounts	113 194	-	-	-	-	-	-	-	113 194
Foreign governments and international organisations	1 450	-	-	-	-	-	-	-	1 450
Non-profit institutions	3 020	-	-	-	-	-	-	-	3 020
Households	80	-	-	-	-	-	-	-	80
<b>Payments for capital assets</b>	<b>8 131</b>	-	-	<b>1 559</b>	-	-	-	<b>1 559</b>	<b>9 690</b>
Machinery and equipment	6 677	-	-	1 456	-	-	-	1 456	8 133
Software and other intangible assets	1 454	-	-	103	-	-	-	103	1 557
<b>Total</b>	<b>774 865</b>	-	-	<b>(29 059)</b>	-	-	-	<b>(29 059)</b>	<b>745 806</b>

**Programme 3: Rural Development**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Rural Infrastructure Development	783 103	-	-	-	-	-	-	-	783 103
Rural Enterprise and Industrial Development	600 311	-	-	(50 000)	-	-	-	(50 000)	550 311
National Rural Youth Services Corps	628 205	-	-	50 000	-	-	-	50 000	678 205
<b>Total</b>	<b>2 011 619</b>	-	-	-	-	-	-	-	<b>2 011 619</b>

**Programme 3: Rural Development (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>956 093</b>	–	–	(282 842)	–	–	–	(282 842)	<b>673 251</b>
Compensation of employees	553 194	–	–	(285 845)	–	–	–	(285 845)	267 349
Goods and services	402 899	–	–	3 003	–	–	–	3 003	405 902
<b>Transfers and subsidies</b>	<b>1 051 608</b>	–	–	<b>277 255</b>	–	–	–	<b>277 255</b>	<b>1 328 863</b>
Households	1 051 608	–	–	277 255	–	–	–	277 255	1 328 863
<b>Payments for capital assets</b>	<b>3 918</b>	–	–	<b>5 587</b>	–	–	–	<b>5 587</b>	<b>9 505</b>
Buildings and other fixed structures	–	–	–	2 639	–	–	–	2 639	2 639
Machinery and equipment	3 918	–	–	2 948	–	–	–	2 948	6 866
<b>Total</b>	<b>2 011 619</b>	–	–	–	–	–	–	–	<b>2 011 619</b>

**Programme 4: Restitution**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Restitution National Office	46 643	–	–	129 004	–	–	–	129 004	175 647
Restitution Regional Offices	319 673	–	–	134 201	–	–	–	134 201	453 874
Restitution Grants	2 314 426	–	–	(263 205)	–	–	–	(263 205)	2 051 221
<b>Total</b>	<b>2 680 742</b>	–	–	–	–	–	–	–	<b>2 680 742</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>363 983</b>	–	–	<b>237 661</b>	–	–	–	<b>237 661</b>	<b>601 644</b>
Compensation of employees	235 977	–	–	77 282	–	–	–	77 282	313 259
Goods and services	128 006	–	–	160 379	–	–	–	160 379	288 385
<b>Transfers and subsidies</b>	<b>2 314 690</b>	–	–	<b>(246 402)</b>	–	–	–	<b>(246 402)</b>	<b>2 068 288</b>
Provinces and municipalities	11	–	–	16 838	–	–	–	16 838	16 849
Households	2 314 679	–	–	(263 240)	–	–	–	(263 240)	2 051 439
<b>Payments for capital assets</b>	<b>2 069</b>	–	–	<b>8 741</b>	–	–	–	<b>8 741</b>	<b>10 810</b>
Machinery and equipment	2 069	–	–	8 741	–	–	–	8 741	10 810
<b>Total</b>	<b>2 680 742</b>	–	–	–	–	–	–	–	<b>2 680 742</b>

**Programme 5: Land Reform**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Land Reform National Office	124 694	–	–	15 044	–	–	–	15 044	139 738
Land Reform Provincial Offices	321 512	–	–	85 571	–	–	–	85 571	407 083
Land Reform Grants	420 258	–	–	(34 744)	–	–	–	(34 744)	385 514
KwaZulu-Natal Ingonyama Trust Board	17 294	–	–	–	–	–	–	–	17 294
Agricultural Land Holding Account	1 934 628	–	–	(215 871)	–	–	–	(215 871)	1 718 757
<b>Total</b>	<b>2 818 386</b>	–	–	<b>(150 000)</b>	–	–	–	<b>(150 000)</b>	<b>2 668 386</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>445 716</b>	–	–	<b>47 844</b>	–	–	–	<b>47 844</b>	<b>493 560</b>
Compensation of employees	241 156	–	–	58 830	–	–	–	58 830	299 986
Goods and services	204 560	–	–	(10 986)	–	–	–	(10 986)	193 574
<b>Transfers and subsidies</b>	<b>2 372 200</b>	–	–	<b>(203 174)</b>	–	–	–	<b>(203 174)</b>	<b>2 169 026</b>
Provinces and municipalities	19	–	–	47 441	–	–	–	47 441	47 460
Departmental agencies and accounts	1 951 922	–	–	(215 871)	–	–	–	(215 871)	1 736 051
Public corporations and private enterprises	1	–	–	–	–	–	–	–	1
Households	420 258	–	–	(34 744)	–	–	–	(34 744)	385 514
<b>Payments for capital assets</b>	<b>470</b>	–	–	<b>5 330</b>	–	–	–	<b>5 330</b>	<b>5 800</b>
Buildings and other fixed structures	–	–	–	20	–	–	–	20	20
Machinery and equipment	470	–	–	5 310	–	–	–	5 310	5 780
<b>Total</b>	<b>2 818 386</b>	–	–	<b>(150 000)</b>	–	–	–	<b>(150 000)</b>	<b>2 668 386</b>



## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

<b>Programmes</b>					
1. Administration					
2. National Geomatics Management Services					
3. Rural Development					
4. Restitution					
5. Land Reform					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(25 547)</b>	<b>Programme 1</b>		<b>25 547</b>
Goods and services	Cost containment measures effected on travel and subsistence	(491)	Provinces and municipalities	Vehicle licences	491
	Cost containment measures effected on travel and subsistence	(8 101)	Machinery and equipment	Office equipment such as computers, printers and telephones	8 101
	Cost containment measures effected on business and advisory services	(1)	Departmental agencies and accounts	Television licence	1
	Cost containment measures effected on business and advisory services	(11)	Provinces and municipalities	Vehicle licences	11
	Cost containment measures effected on agents and outsourced services	(3 500)	Buildings and other fixed structures	Building maintenance	3 500
Compensation of employees	Vacant posts	(23)	Households	Leave gratuities	23
	Vacant posts	(12 565)	Goods and services	Operating costs for second deputy minister	12 565
	Vacant posts	(855)	Machinery and equipment	Office equipment such as computers, printers and telephones	855
Shifts within the programme as a percentage of the programme budget		2.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(44 728)</b>	<b>Programme 2</b>		<b>669</b>
Goods and services	Cost containment measures effected on agents and outsourced services	(669)	Machinery and equipment	Office equipment such as computers, printers and telephones	669
Compensation of employees	Vacant posts	(1 149)	<b>Programme 1</b>		<b>29 059</b>
	Vacant posts	(12 000)	Goods and services	Operating costs for second deputy minister	1 149
	Move of registry personnel from finance division to corporate services	(15 680)	Households	External bursaries	12 000
	Move of registry personnel from finance division to corporate services	(230)	Goods and services	IT services	15 680
	Vacant posts	(14 110)	Machinery and equipment	Office equipment such as computers, printers and telephones	230
	Vacant posts	(787)	<b>Programme 2</b>		<b>15 000</b>
	Vacant posts	(103)	Goods and services	Office equipment such as computers, printers and telephones	14 110
			Machinery and equipment	Office equipment such as computers, printers and telephones	787
			Software and other intangible assets	Computer software	103
Shifts within the programme as a percentage of the programme budget		2.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.8%</b>			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(355 511)</b>	<b>Programme 3</b>		<b>355 511</b>
Goods and services	Cost containment measures effected on operating payments	(2 490)	Machinery and equipment	Office equipment such as computers, printers and telephones	2 490
	Cost containment measures effected on operating payments	(252)	Buildings and other fixed structures	Building maintenance	252
Compensation of employees	Reclassification of the item in the standard chart of accounts	(315 012)	Households	National rural youth services corps due to a reclassification in the standard chart of accounts	315 012
Goods and services	Cost containment measures effected on operating payments	(29 167)	Compensation of employees	Salaries for new staff to implement rural development projects <sup>1</sup>	29 167
	Cost containment measures effected on business and advisory services	(5 745)	Goods and services	Office equipment, such as computers, printers and telephones	5 745
	Cost containment measures effected on travel and subsistence	(458)	Machinery and equipment	Office equipment, such as computers, printers and telephones	458
	Cost containment measures effected on agents and outsourced services	(2 387)	Buildings and other fixed structures	Building maintenance	2 387
Shifts within the programme as a percentage of the programme budget		17.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(272 474)</b>	<b>Programme 4</b>		<b>272 474</b>
Goods and services	Cost containment measures effected on travel and subsistence	(8 741)	Machinery and equipment	Office equipment, such as computers, printers and telephones	8 741
	Cost containment measures effected on business and advisory services	(493)	Provinces and municipalities	Vehicle licences	493
Households	Cost containment measures effected on restitution grants	(77 282)	Compensation of employees	Salaries for new staff in reopening of land restitution claims <sup>1</sup>	77 282
	Cost containment measures effected on restitution grants	(169 613)	Goods and services	Operating costs relating to land restitution reopening	169 613
	Cost containment measures effected on restitution grants	(16 345)	Machinery and equipment	Office equipment, such as computers, printers and telephones	16 345
Shifts within the programme as a percentage of the programme budget		10.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(266 601)</b>	<b>Programme 5</b>		<b>10 986</b>
Goods and services	Cost containment measures effected on travel and subsistence	(101)	Compensation of employees	Provision for split of land reform branch <sup>1</sup>	101
	Cost containment measures effected on operating payments	(5 310)	Machinery and equipment	Office equipment, such as computers, printers and telephones	5 310
	Cost containment measures effected on business and advisory services	(5 555)	Provinces and municipalities	Property rates and taxes	5 555
	Cost containment measures effected training and development	(20)	Buildings and other fixed structures	Building maintenance	20
Departmental agencies and accounts	Reduced spending in transfers to the agricultural land holding account due to less land being purchased than expected	(10 000)	<b>Programme 1</b>		<b>150 000</b>
Goods and services	Cost containment measures effected on business and advisory services	(140 000)	Goods and services	IT services	10 000
			Goods and services	New ICT posts, new chief directorate posts and property management	140 000

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>			<b>Programme 5</b>		
Compensation of employees	Vacant posts	(58 729)	Compensation of employees	Provision for split of branch and Office of the Valuer General <sup>1</sup>	58 729
Goods and services	Reduced spending on legal costs due to less litigation activity	(5 000)	Goods and services	Operating costs for new chief directorate	5 000
	Cost containment measures effected on business and advisory services	(2 142)	Provinces and municipalities	Property rates and taxes	2 142
Households	Reduced spending on land reform grants due to less land being purchased for restitution purposes	(39 744)	Provinces and municipalities	Property rates and taxes	39 744
Shifts within the programme as a percentage of the programme budget		4.1%			
Virements to other programmes as a percentage of the programme budget		5.3%			
<b>Total</b>		<b>(964 861)</b>	<b>964 861</b>		

1. National Treasury approval has been obtained.

## Funds shifted within a vote following a function shift – R1.090 million

### Programme 1: Administration

R1.090 million has been received from the *Financial Services* subprogramme following the shift of the registry function to the *Corporate Services* subprogramme.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	adjusted % of appropriation	Apr 13 - Mar 14	adjusted % of appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted % of appropriation	
Administration	1 189 793	605 683	50.9	1 267 484	106.5	1 348 752	14.3	603 958	44.8	
National Geomatics	794 714	327 757	41.2	785 869	98.9	745 806	7.9	396 683	53.2	
Management Services										
Rural Development	1 792 423	882 200	49.2	1 701 642	94.9	2 011 619	21.3	787 400	39.1	
Restitution	2 916 838	1 704 120	58.4	2 836 703	97.3	2 680 742	28.4	1 324 684	49.4	
Land Reform	2 765 972	1 572 264	56.8	2 862 358	103.5	2 668 386	28.2	1 346 434	50.5	
<b>Total</b>	<b>9 459 740</b>	<b>5 092 024</b>	<b>53.8</b>	<b>9 454 056</b>	<b>99.9</b>	<b>9 455 305</b>	<b>100.0</b>	<b>4 459 159</b>	<b>47.2</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>4 599 153</b>	<b>2 019 083</b>	<b>43.9</b>	<b>3 909 625</b>	<b>85.0</b>	<b>3 675 491</b>	<b>38.9</b>	<b>1 821 303</b>	<b>49.6</b>	
Compensation of employees	1 965 363	847 078	43.1	1 759 301	89.5	1 999 753	21.1	981 504	49.1	
Goods and services	2 633 790	1 167 389	44.3	2 144 564	81.4	1 675 738	17.7	834 869	49.8	
Interest and rent on land	–	4 616	0.0	5 760	0.0	–	0.0	4 930	0.0	
<b>Transfers and subsidies</b>	<b>4 819 833</b>	<b>3 023 006</b>	<b>62.7</b>	<b>5 362 177</b>	<b>111.3</b>	<b>5 721 864</b>	<b>60.5</b>	<b>2 577 502</b>	<b>45.0</b>	
Provinces and municipalities	219	210	95.9	3 365	1536.5	64 453	0.7	55 807	86.6	
Departmental agencies and accounts	1 934 292	1 216 536	62.9	2 224 518	115.0	1 852 647	19.6	1 097 878	59.3	
Foreign governments and international organisations	1 773	1 773	100.0	1 773	100.0	1 450	0.0	–	0.0	
Public corporations and private enterprises	58 540	89 842	153.5	147 808	252.5	1	0.0	–	0.0	
Non-profit institutions	2 849	712	25.0	2 849	100.0	3 020	0.0	755	25.0	
Households	2 822 160	1 713 933	60.7	2 981 864	105.7	3 800 293	40.2	1 423 062	37.4	
<b>Payments for capital assets</b>	<b>40 754</b>	<b>49 935</b>	<b>122.5</b>	<b>175 726</b>	<b>431.2</b>	<b>57 950</b>	<b>0.6</b>	<b>59 563</b>	<b>102.8</b>	
Buildings and other fixed structures	1 000	2 784	278.4	78 967	7896.7	6 159	0.1	4 898	79.5	
Machinery and equipment	38 087	19 160	50.3	48 827	128.2	50 234	0.5	21 638	43.1	
Biological assets	–	256	0.0	256	0.0	–	0.0	–	0.0	
Land and subsoil assets	–	27 735	0.0	47 676	0.0	–	0.0	32 748	0.0	
Software and other intangible assets	1 667	–	0.0	–	0.0	1 557	0.0	279	17.9	
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>6 528</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>791</b>	<b>0.0</b>	
<b>Total</b>	<b>9 459 740</b>	<b>5 092 024</b>	<b>53.8</b>	<b>9 454 056</b>	<b>99.9</b>	<b>9 455 305</b>	<b>100.0</b>	<b>4 459 159</b>	<b>47.2</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.9 per cent of the adjusted appropriation. Expenditure in the first six months of 2014/15 was R4.459 billion or 47.2 per cent of the adjusted appropriation of R9.455 billion for the year. In comparison, mid-year expenditure in 2013/14 was R5.092 billion, or 53.8 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R632.865 million, or 12.4 per cent. The decrease in 2014/15 is mainly due to the implementation of cost containment measures.

### Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>78 175</b>	<b>43 438</b>	<b>55.6</b>	<b>104 622</b>	<b>133.8</b>	<b>42 058</b>	<b>85 077</b>	<b>100.0</b>	<b>44 009</b>	<b>51.7</b>
Sales of goods and services produced by department	20 584	10 351	50.3	21 213	103.1	20 753	21 256	25.0	9 957	46.8
Sales of scrap, waste, arms and other used current goods	35	2	5.7	5	14.3	14	13	0.0	1	7.7
Interest, dividends and rent on land	14 501	11 413	78.7	21 469	148.1	15 287	15 287	18.0	5 120	33.5
Sales of capital assets	200	131	65.5	147	73.5	-	620	0.7	420	67.7
Transactions in financial assets and liabilities	42 855	21 541	50.3	61 788	144.2	6 004	47 901	56.3	28 511	59.5
<b>Total</b>	<b>78 175</b>	<b>43 438</b>	<b>55.6</b>	<b>104 622</b>	<b>133.8</b>	<b>42 058</b>	<b>85 077</b>	<b>100.0</b>	<b>44 009</b>	<b>51.7</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R44.009 million, or 51.7 per cent of the adjusted revenue estimate of R85.077 million for the year. In comparison, mid-year revenue in 2013/14 was R43.438 million, or 55.6 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R571 000, or 1.3 per cent. This was due to an increase in the number of transactions recorded in the deeds office as well as an increase in rental income.

### Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Administration</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	113	-	-	11	-	-	-	11	124
Vehicle licences	113	-	-	11	-	-	-	11	124
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	1	-	-	-	1	1
Communications	-	-	-	1	-	-	-	1	1
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	514	-	-	-	514	514
Employee social benefits	-	-	-	514	-	-	-	514	514
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	21 883	-	-	12 000	-	-	-	12 000	33 883
Bursaries for non-employees	21 883	-	-	12 000	-	-	-	12 000	33 883

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

R thousand	2014/15							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Function shifts	Declared unspent funds		
<b>Rural Development</b>								
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	<b>1 051 608</b>	-	-	<b>277 255</b>	-	-	<b>277 255</b>	<b>1 328 863</b>
Rural Infrastructure Development	662 546	-	-	(12 590)	-	-	(12 590)	649 956
Rural Enterprise and Industrial Development	389 062	-	-	(75 167)	-	-	(75 167)	313 895
National rural youth services corps	-	-	-	365 012	-	-	365 012	365 012
<b>Restitution</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	<b>11</b>	-	-	<b>16 838</b>	-	-	<b>16 838</b>	<b>16 849</b>
Vehicle licences	11	-	-	12	-	-	12	23
Property rates and taxes	-	-	-	16 826	-	-	16 826	16 826
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>253</b>	-	-	<b>(35)</b>	-	-	<b>(35)</b>	<b>218</b>
Employee social benefits	253	-	-	(35)	-	-	(35)	218
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Capital</b>	<b>2 314 426</b>	-	-	<b>(263 205)</b>	-	-	<b>(263 205)</b>	<b>2 051 221</b>
Restitution grants	2 314 426	-	-	(263 205)	-	-	(263 205)	2 051 221
<b>Land Reform</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	<b>19</b>	-	-	<b>47 441</b>	-	-	<b>47 441</b>	<b>47 460</b>
Vehicle licences	19	-	-	11	-	-	11	30
Property rates and taxes	-	-	-	47 430	-	-	47 430	47 430
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>1 934 628</b>	-	-	<b>(215 871)</b>	-	-	<b>(215 871)</b>	<b>1 718 757</b>
Agricultural land holding account	1 934 628	-	-	(215 871)	-	-	(215 871)	1 718 757
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Capital</b>	<b>420 258</b>	-	-	<b>(34 744)</b>	-	-	<b>(34 744)</b>	<b>385 514</b>
Land reform grants	420 258	-	-	(34 744)	-	-	(34 744)	385 514



## Science and Technology

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>6 470 190</b>	<b>6 479 890</b>	-	9 700
<i>of which:</i>				
Current payments	486 723	494 512	-	7 789
Transfers and subsidies	5 981 158	5 983 069	-	1 911
Payments for capital assets	2 309	2 309	-	-
Executive authority	Minister of Science and Technology			
Accounting officer	Director-General of Science and Technology			
Website address	www.dst.gov.za			

### Aim

*Realise the full potential of science and technology in social and economic development by developing human resources, research and innovation.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of knowledge and innovation products (patents, prototypes, technology demonstrators or technology transfer packages) added to the intellectual property portfolio through fully funded or co-funded research initiatives per year	Socio Economic Innovation Partnership	Outcome 5: A skilled and capable workforce to support an inclusive growth path	21	1	-
Total number of postgraduate research students awarded bursaries, as reflected in the National Research Foundation's project reports	Research Development and Support		11 440	9 000	-
Total number of researchers awarded research grants through National Research Foundation managed programmes, as reflected in the foundation project report	Research Development and Support		3 876	2 500	-
Value of foreign science, technology and innovative funds secured for knowledge production, technology transfer, enhanced innovation and science, technology and innovative human development from international partners through agreed instruments per year	International Cooperation and Resources		R354.6m	R70.831m	-
Number of South African researchers and students participating in international research and innovation opportunities per year	International Cooperation and Resources		1 456	548	-
Number of innovation support interventions developed/supported in key strategic areas per year	Technology Innovation		285	3	-
Number of new technology innovation products developed/supported in key strategic areas	Technology Innovation		6	0	-

### Mid-year progress

The progress on innovation support interventions developed in key strategic areas was slow in the first half of 2014/15, as the guideline for the establishment of the incentive scheme for intellectual property creators has not yet been fully developed and communicated to stakeholders. Extensive consultation is necessary due

to the broad impact of the incentive scheme and the need to avoid any unintended consequences. As a result, the target of incentivising 285 innovation partnership creators will not be achieved in 2014/15.

Slow progress in the new technology innovation products developed and supported in key strategic areas is as a result of delays in finalising funding for the Cape Peninsula University of Technology programme. The funding has been earmarked for the institution through the National Research Foundation and delays in negotiations with the Water Research Commission on the water demonstrations programme are further reasons for the slow progress.

While the performance for some indicators for the first six months of the financial year has been slow and below target, the department expects to achieve all its targets by end of March 2015.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	290 960	-	-	980	-	-	-	980	291 940
Technology Innovation	991 623	-	-	17 300	-	-	-	17 300	1 008 923
International Cooperation and Resources	119 699	-	-	(380)	-	-	-	(380)	119 319
Research, Development and Support	3 503 762	9 700	-	(16 515)	-	-	-	(6 815)	3 496 947
Socio Economic Innovation Partnerships	1 564 146	-	-	(1 385)	-	-	-	(1 385)	1 562 761
<b>Total</b>	<b>6 470 190</b>	<b>9 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 700</b>	<b>6 479 890</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>486 723</b>	<b>-</b>	<b>-</b>	<b>7 789</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 789</b>	<b>494 512</b>
Compensation of employees	283 818	-	-	1 054	-	-	-	1 054	284 872
Goods and services	202 905	-	-	6 735	-	-	-	6 735	209 640
<b>Transfers and subsidies</b>	<b>5 981 158</b>	<b>9 700</b>	<b>-</b>	<b>(7 789)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 911</b>	<b>5 983 069</b>
Departmental agencies and accounts	4 409 261	-	-	(15 589)	-	-	-	(15 589)	4 393 672
Higher education institutions	21 360	-	-	17 500	-	-	-	17 500	38 860
Public corporations and private enterprises	1 140 830	9 700	-	(5 000)	-	-	-	4 700	1 145 530
Non-profit institutions	409 707	-	-	(4 700)	-	-	-	(4 700)	405 007
<b>Payments for capital assets</b>	<b>2 309</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 309</b>
Machinery and equipment	2 309	-	-	-	-	-	-	-	2 309
<b>Total</b>	<b>6 470 190</b>	<b>9 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 700</b>	<b>6 479 890</b>

### Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry Management	4 065	-	-	-	-	-	-	-	4 065
Corporate Services	102 198	-	-	(500)	-	-	-	(500)	101 698
Governance	170 737	-	-	1 760	-	-	-	1 760	172 497
Office Accommodation	9 281	-	-	(280)	-	-	-	(280)	9 001
Office Accommodation	4 679	-	-	-	-	-	-	-	4 679
<b>Total</b>	<b>290 960</b>	<b>-</b>	<b>-</b>	<b>980</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>980</b>	<b>291 940</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>276 564</b>	<b>-</b>	<b>-</b>	<b>980</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>980</b>	<b>277 544</b>
Compensation of employees	137 041	-	-	-	-	-	-	-	137 041
Goods and services	139 523	-	-	980	-	-	-	980	140 503
<b>Transfers and subsidies</b>	<b>12 087</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 087</b>
Non-profit institutions	12 087	-	-	-	-	-	-	-	12 087
<b>Payments for capital assets</b>	<b>2 309</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 309</b>
Machinery and equipment	2 309	-	-	-	-	-	-	-	2 309
<b>Total</b>	<b>290 960</b>	<b>-</b>	<b>-</b>	<b>980</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>980</b>	<b>291 940</b>



**Programme 2: Technology Innovation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Space Science	169 939	-	-	(30)	-	-	-	(30)	169 909
Hydrogen and Energy	146 430	-	-	(34)	-	-	-	(34)	146 396
Bio economy	132 869	-	-	(4 755)	-	-	-	(4 755)	128 114
Innovation Priorities and Instruments	517 277	-	-	3 619	-	-	-	3 619	520 896
National Intellectual Property Management Office	25 108	-	-	18 500	-	-	-	18 500	43 608
<b>Total</b>	<b>991 623</b>	<b>-</b>	<b>-</b>	<b>17 300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 300</b>	<b>1 008 923</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>63 923</b>	<b>-</b>	<b>-</b>	<b>(3 969)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 969)</b>	<b>59 954</b>
Compensation of employees	41 976	-	-	(569)	-	-	-	(569)	41 407
Goods and services	21 947	-	-	(3 400)	-	-	-	(3 400)	18 547
<b>Transfers and subsidies</b>	<b>927 700</b>	<b>-</b>	<b>-</b>	<b>21 269</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21 269</b>	<b>948 969</b>
Departmental agencies and accounts	635 639	-	-	4 669	-	-	-	4 669	640 308
Higher education institutions	15 000	-	-	17 500	-	-	-	17 500	32 500
Non-profit institutions	277 061	-	-	(900)	-	-	-	(900)	276 161
<b>Total</b>	<b>991 623</b>	<b>-</b>	<b>-</b>	<b>17 300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 300</b>	<b>1 008 923</b>

**Programme 3: International Cooperation and Resources**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Multilateral Cooperation and Africa	27 486	-	-	(145)	-	-	-	(145)	27 341
International Resources	54 983	-	-	(119)	-	-	-	(119)	54 864
Overseas Bilateral Cooperation	37 230	-	-	(116)	-	-	-	(116)	37 114
<b>Total</b>	<b>119 699</b>	<b>-</b>	<b>-</b>	<b>(380)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(380)</b>	<b>119 319</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>65 095</b>	<b>-</b>	<b>-</b>	<b>3 420</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 420</b>	<b>68 515</b>
Compensation of employees	43 418	-	-	-	-	-	-	-	43 418
Goods and services	21 677	-	-	3 420	-	-	-	3 420	25 097
<b>Transfers and subsidies</b>	<b>54 604</b>	<b>-</b>	<b>-</b>	<b>(3 800)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 800)</b>	<b>50 804</b>
Non-profit institutions	54 604	-	-	(3 800)	-	-	-	(3 800)	50 804
<b>Total</b>	<b>119 699</b>	<b>-</b>	<b>-</b>	<b>(380)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(380)</b>	<b>119 319</b>

**Programme 4: Research, Development and Support**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Human Capital and Science Promotions	1 874 660	9 700	-	(50)	-	-	-	9 650	1 884 310
Science Missions	176 804	-	-	(16 365)	-	-	-	(16 365)	160 439
Basic Science and Infrastructure	774 088	-	-	(50)	-	-	-	(50)	774 038
Astronomy	678 210	-	-	(50)	-	-	-	(50)	678 160
<b>Total</b>	<b>3 503 762</b>	<b>9 700</b>	<b>-</b>	<b>(16 515)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 815)</b>	<b>3 496 947</b>

**Programme 4: Research, Development and Support (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>37 670</b>	–	–	<b>6 558</b>	–	–	–	<b>6 558</b>	<b>44 228</b>
Compensation of employees	27 502	–	–	1 623	–	–	–	1 623	29 125
Goods and services	10 168	–	–	4 935	–	–	–	4 935	15 103
<b>Transfers and subsidies</b>	<b>3 466 092</b>	<b>9 700</b>	–	<b>(23 073)</b>	–	–	–	<b>(13 373)</b>	<b>3 452 719</b>
Departmental agencies and accounts	3 189 732	–	–	(23 073)	–	–	–	(23 073)	3 166 659
Higher education institutions	6 360	–	–	–	–	–	–	–	6 360
Public corporations and private enterprises	204 045	9 700	–	–	–	–	–	9 700	213 745
Non-profit institutions	65 955	–	–	–	–	–	–	–	65 955
<b>Total</b>	<b>3 503 762</b>	<b>9 700</b>	–	<b>(16 515)</b>	–	–	–	<b>(6 815)</b>	<b>3 496 947</b>

**Programme 5: Socio Economic Innovation Partnerships**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Sector Innovation and Green Economy	856 361	–	–	22 265	–	–	–	22 265	878 626
Innovation for Inclusive Development	353 919	–	–	(12 050)	–	–	–	(12 050)	341 869
Science and Technology Investment	28 341	–	–	(50)	–	–	–	(50)	28 291
Technology Localisation, Beneficiation and Advanced Manufacturing	325 525	–	–	(11 550)	–	–	–	(11 550)	313 975
<b>Total</b>	<b>1 564 146</b>	–	–	<b>(1 385)</b>	–	–	–	<b>(1 385)</b>	<b>1 562 761</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>43 471</b>	–	–	<b>800</b>	–	–	–	<b>800</b>	<b>44 271</b>
Compensation of employees	33 881	–	–	–	–	–	–	–	33 881
Goods and services	9 590	–	–	800	–	–	–	800	10 390
<b>Transfers and subsidies</b>	<b>1 520 675</b>	–	–	<b>(2 185)</b>	–	–	–	<b>(2 185)</b>	<b>1 518 490</b>
Departmental agencies and accounts	583 890	–	–	2 815	–	–	–	2 815	586 705
Public corporations and private enterprises	936 785	–	–	(5 000)	–	–	–	(5 000)	931 785
<b>Total</b>	<b>1 564 146</b>	–	–	<b>(1 385)</b>	–	–	–	<b>(1 385)</b>	<b>1 562 761</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Roll-overs – R9.7 million**

Programme 4: Research, Development and Support

R9.7 million has been rolled over for the construction of the Cofimvaba Science Centre in the Eastern Cape.

## Virements and shifts

<b>Programmes</b>					
1. Administration					
2. Technology Innovation					
3. International Cooperation and Resources					
4. Research, Development and Support					
5. Socio Economic Innovation Partnerships					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 2</b>			<b>Programme 2</b>		
Goods and services	Cost containment measures effected, in particular the decision to not use consultants for the Ketlaphela project <sup>1</sup>	(3 500)	Departmental agencies and accounts	Funding of the African Clinical Research Organisation <sup>1</sup>	3 500
	Movement of the recruitment budget to corporate services, and cost containment measures effected on consultants, and venues and facilities	(200)	<b>Programme 1</b>		<b>200</b>
			Goods and services	Centralisation of the recruitment budget	200
			<b>Programme 2</b>		
Compensation of employees	Vacant posts <sup>1</sup>	(569)	Departmental agencies and accounts	Funding of the African Clinical Research Organisation <sup>1</sup>	569
Non-profit institutions	Reclassification of funds due to an incorrect classification in the 2014 ENE <sup>1</sup>	(300)	Goods and services	Reclassification of funds due to an incorrect classification in the 2014 ENE <sup>1</sup>	300
	Unspent funds due to delays in the implementation of the biotechnology demonstration project <sup>1</sup>	(600)	Departmental agencies and accounts	Funding of the African Clinical Research Organisation <sup>1</sup>	600
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>			<b>Programme 1</b>		
Goods and services	Movement of the recruitment budget to corporate services	(380)	Goods and services	Centralisation of the recruitment budget	380
			<b>Programme 3</b>		<b>3 800</b>
Non-profit institutions	Reclassification of funds due to an incorrect classification in the 2014 ENE <sup>1</sup>	(3 800)	Goods and services	Implementation of a policy and practical training programme on mineral processing and beneficiation for the states in the Non-Aligned Movement <sup>1</sup>	3 800
Shifts within the programme as a percentage of the programme budget		3.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.3%</b>			
<b>Programme 4</b>			<b>Programme 1</b>		
Goods and services	Movement of the recruitment budget to corporate services; and cost containment measures effected on consultants, and venues and facilities	(200)	Goods and services	Centralisation of the recruitment budget	200
			<b>Programme 4</b>		<b>6 758</b>
Departmental agencies and accounts	Reclassification of funds due to an incorrect classification in the 2014 ENE <sup>1</sup>	(1 623)	Compensation of employees	New posts for the Square Kilometre Array African Very Long Baseline Interferometry Network and astronomers <sup>1</sup>	1 623
	Reclassification of funds due to the Square Kilometre Array being incorrectly classified in the 2014 ENE <sup>1</sup>	(5 135)	Goods and services	Meetings on indigenous knowledge systems legislation, and operational costs for the Square Kilometre Array African Very Long Baseline Interferometry Network and astronomy <sup>1</sup>	5 135
	Reclassification of funds due to incorrect classification in the 2014 ENE <sup>1</sup>	(16 315)	<b>Programme 5</b>		<b>16 315</b>
			Departmental agencies and accounts	Environmental innovation programme <sup>1</sup>	16 315
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.5%</b>			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>		<b>(18 700)</b>	<b>Programme 1</b>		<b>200</b>
Goods and services	Cost containment measures effected on consultants; and movement of the recruitment budget to corporate services	(200)	Goods and services	Centralisation of the recruitment budget	200
Departmental agencies and accounts	Projects that are funded from sector budget support and general budget support from the advanced manufacturing technology strategy <sup>1</sup>	(12 500)	<b>Programme 2</b>		<b>12 500</b>
			Higher education institutions	The National Intellectual Property Management Office unfunded mandate <sup>1</sup>	12 500
	Reclassification of funds due to local systems of innovation incorrectly classified in the 2014 ENE <sup>1</sup>	(1 000)	<b>Programme 5</b>		<b>1 000</b>
			Goods and services	Special services for the development of an online system to manage the sector specific innovation funds <sup>1</sup>	1 000
Public corporations and private enterprises	Unspent funds due to delays in finalising the roadmap for the advanced manufacturing technology strategy <sup>1</sup>	(5 000)	<b>Programme 2</b>		<b>5 000</b>
			Higher education institutions	The National Intellectual Property Management Office unfunded mandate <sup>1</sup>	5 000
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		1.1%			
<b>Total</b>		<b>(51 322)</b>			<b>51 322</b>

1. National Treasury approval has been obtained.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
R thousand										
Administration	245 658	124 243	50.6	257 471	104.8	291 940	4.5	131 674	45.1	
Technology Innovation	1 122 062	1 313 098	117.0	1 669 678	148.8	1 008 923	15.6	615 339	61.0	
International Cooperation and Resources	110 193	84 405	76.6	139 783	126.9	119 319	1.8	48 515	40.7	
Research, Development and Support	3 233 832	1 712 832	53.0	2 462 720	76.2	3 496 947	54.0	2 206 797	63.1	
Socio-Economic Innovation Partnerships	1 486 410	802 059	54.0	1 639 837	110.3	1 562 761	24.1	606 191	38.8	
<b>Total</b>	<b>6 198 155</b>	<b>4 036 637</b>	<b>65.1</b>	<b>6 169 489</b>	<b>99.5</b>	<b>6 479 890</b>	<b>100.0</b>	<b>3 608 516</b>	<b>55.7</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>414 074</b>	<b>203 411</b>	<b>49.1</b>	<b>402 595</b>	<b>97.2</b>	<b>494 512</b>	<b>7.6</b>	<b>214 126</b>	<b>43.3</b>	
Compensation of employees	251 403	121 327	48.3	241 621	96.1	284 872	4.4	133 545	46.9	
Goods and services	162 671	82 084	50.5	160 974	99.0	209 640	3.2	80 581	38.4	
<b>Transfers and subsidies</b>	<b>5 754 403</b>	<b>3 801 037</b>	<b>66.1</b>	<b>5 703 875</b>	<b>99.1</b>	<b>5 983 069</b>	<b>92.3</b>	<b>3 391 014</b>	<b>56.7</b>	
Departmental agencies and accounts	4 303 545	2 634 915	61.2	3 762 927	87.4	4 393 672	67.8	2 464 806	56.1	
Higher education institutions	115 811	105 842	91.4	156 163	134.8	38 860	0.6	117 245	301.7	
Foreign governments and international organisations	–	–	0.0	452	0.0	–	0.0	–	0.0	
Public corporations and private enterprises	1 132 887	1 032 115	91.1	1 697 974	149.9	1 145 530	17.7	791 387	69.1	
Non-profit institutions	202 160	28 165	13.9	84 701	41.9	405 007	6.3	17 010	4.2	
Households	–	–	0.0	1 658	0.0	–	0.0	566	0.0	
<b>Payments for capital assets</b>	<b>29 678</b>	<b>32 189</b>	<b>108.5</b>	<b>63 019</b>	<b>212.3</b>	<b>2 309</b>	<b>0.0</b>	<b>3 376</b>	<b>146.2</b>	
Machinery and equipment	29 678	4 689	15.8	8 156	27.5	2 309	0.0	3 376	146.2	
Software and other intangible assets	–	27 500	0.0	54 863	0.0	–	0.0	–	0.0	
<b>Total</b>	<b>6 198 155</b>	<b>4 036 637</b>	<b>65.1</b>	<b>6 169 489</b>	<b>99.5</b>	<b>6 479 890</b>	<b>100.0</b>	<b>3 608 516</b>	<b>55.7</b>	

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R3.609 billion, or 55.7 per cent of the adjusted appropriation of R6.480 billion for the year. In comparison, mid-year expenditure in 2013/14 was R4.037 billion, or 65.1 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R428.121 million, or 10.6 per cent. This was mainly due to delays in projects.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Budget estimate	Actual receipts				
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14		Apr 13 - Mar 14 % of adjusted estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>1 792</b>	<b>870</b>	<b>48.5</b>	<b>1 658</b>	<b>92.5</b>	<b>116</b>	<b>116</b>	<b>100.0</b>	<b>41</b>	<b>35.3</b>
Sales of goods and services produced by department	28	19	67.9	47	167.9	28	28	24.1	16	57.1
Interest, dividends and rent on land	12	7	58.3	8	66.7	8	8	6.9	–	0.0
Transactions in financial assets and liabilities	1 752	844	48.2	1 603	91.5	80	80	69.0	25	31.3
<b>Total</b>	<b>1 792</b>	<b>870</b>	<b>48.5</b>	<b>1 658</b>	<b>92.5</b>	<b>116</b>	<b>116</b>	<b>100.0</b>	<b>41</b>	<b>35.3</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R41 000, or 35.3 per cent of the adjusted revenue estimate of R116 000 for the year. In comparison, mid-year revenue in 2013/14 was R870 000, or 48.5 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R829 000, or 95.3 per cent. This was mainly due to the fact that in 2013/14 the department received unspent funds from projects that came to an end.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15							Adjusted appropriation
		Adjustments appropriation							
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Technology Innovation Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities) Current</b>	<b>380 717</b>	–	–	<b>4 669</b>	–	–	–	<b>4 669</b>	<b>385 386</b>
Technology Innovation Agency	380 717	–	–	4 669	–	–	–	4 669	385 386
<b>Non-profit institutions Current</b>	<b>87 032</b>	–	–	<b>(900)</b>	–	–	–	<b>(900)</b>	<b>86 132</b>
Biotechnology strategy	34 156	–	–	(600)	–	–	–	(600)	33 556
Emerging research areas	52 876	–	–	(300)	–	–	–	(300)	52 576
<b>International Cooperation and Resources Non-profit institutions Current</b>	<b>8 120</b>	–	–	<b>(3 800)</b>	–	–	–	<b>(3 800)</b>	<b>4 320</b>
Global science: African multilateral agreements	8 120	–	–	(3 800)	–	–	–	(3 800)	4 320

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

R thousand	2014/15							Adjusted appropriation	
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Research, Development and Support</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>1 461 198</b>	-	-	<b>(16 915)</b>	-	-	-	<b>(16 915)</b>	<b>1 444 283</b>
National Research Foundation	851 186	-	-	100	-	-	-	100	851 286
South African Research Chairs Initiative	451 879	-	-	(100)	-	-	-	(100)	451 779
Strategic science platforms	158 133	-	-	(16 915)	-	-	-	(16 915)	141 218
<b>Capital</b>	<b>647 793</b>	-	-	<b>(6 158)</b>	-	-	-	<b>(6 158)</b>	<b>641 635</b>
Square Kilometre Array	647 793	-	-	(6 158)	-	-	-	(6 158)	641 635
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	-	<b>9 700</b>	-	-	-	-	-	<b>9 700</b>	<b>9 700</b>
Science awareness (Council for Scientific and Industrial Research: Cofimvaba Science Centre construction)	-	9 700	-	-	-	-	-	9 700	9 700
<b>Socio Economic</b>									
<b>Innovation Partnerships</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>177 709</b>	-	-	<b>2 815</b>	-	-	-	<b>2 815</b>	<b>180 524</b>
Environmental innovation	-	-	-	16 315	-	-	-	16 315	16 315
Local systems of innovation	107 563	-	-	(1 500)	-	-	-	(1 500)	106 063
Technology for poverty alleviation	32 395	-	-	(7 000)	-	-	-	(7 000)	25 395
Technology for sustainable livelihoods	37 751	-	-	(5 000)	-	-	-	(5 000)	32 751
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	<b>67 539</b>	-	-	<b>(5 000)</b>	-	-	-	<b>(5 000)</b>	<b>62 539</b>
Advanced manufacturing technology strategy	48 281	-	-	(10 000)	-	-	-	(10 000)	38 281
Information communication technology	19 258	-	-	5 000	-	-	-	5 000	24 258

## Tourism

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>1 662 110</b>	<b>1 583 260</b>	(78 850)	-
<b>of which:</b>				
Current payments	380 279	373 661	(6 618)	-
Transfers and subsidies	1 272 557	1 199 225	(73 332)	-
Payments for capital assets	9 274	10 374	-	1 100
Executive authority	Minister of Tourism			
Accounting officer	Director-General of Tourism			
Website address	www.tourism.gov.za			

### Aim

*Promote and support the growth and development of an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September) <sup>1</sup>	Changed target for 2014/15
Number of initiatives aimed at implementing local government support programmes per year	Policy and Knowledge Services	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	1	0	-
Number of information and knowledge systems, services and frameworks developed, implemented and maintained per year			5	3	-
Number of initiatives facilitated to institutionalise tourism in South African missions abroad per year			2 <sup>1</sup>	2 <sup>1</sup>	-
Number of initiatives facilitated to institutionalise tourism in South African missions abroad per year	International Tourism		3	0	-
Number of projects implemented, from the approved tourism development strategies action plan, for the development of integrated support packages for domestic tourism (such as access, amenities, attractions and accommodation) per year	Domestic Tourism	Outcome 4: Decent employment through inclusive economic growth	2	1	-
Number of rural enterprises supported per year			489	140	-
Number of historically disadvantaged enterprises supported per year			1 263	595 <sup>2</sup>	-
Number of full time equivalent jobs supported through tourism enterprise partnerships per year			2 475	701	-
Number of full time equivalent jobs created through the social responsibility implementation programme of the Expanded Public Works Programme per year			5 625	635	-

1. Number of national tourism information gateways.

2. This is a preliminary report with unaudited figures. Audited and verified figures to be provided at a later stage during the second quarter of 2014/15.

## Mid-year progress

The course in tourism capacity building for policy makers at local government level was revised and the report on the revision was approved by management. The target for initiatives aimed at implementing local government support programmes will be achieved by the end of 2014/15.

The target for facilitating the institutionalisation of tourism in South African missions abroad could not be met in the six months under review, as there were delays in the distribution of the marketing collateral to South African missions abroad. This was due to the difficulties in sourcing cost quotations from overseas based service providers.

The provision of support to rural enterprises and individual members of historically disadvantaged enterprises and the creation of full time equivalent jobs created through the social responsibility implementation programme are linked to the expanded public works programme. The targets are expected to be achieved by the end of 2014/15.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	221 819	-	-	2 800	-	-	-	2 800	224 619
Policy and Knowledge Services	925 162	-	-	3 700	-	-	-	3 700	928 862
International Tourism	51 916	-	-	(6 500)	-	-	-	(6 500)	45 416
Domestic Tourism	463 213	-	-	-	-	(78 850)	-	(78 850)	384 363
<b>Total</b>	<b>1 662 110</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(78 850)</b>	<b>-</b>	<b>(78 850)</b>	<b>1 583 260</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>380 279</b>	<b>-</b>	<b>-</b>	<b>(6 618)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 618)</b>	<b>373 661</b>
Compensation of employees	233 277	-	-	(4 000)	-	-	-	(4 000)	229 277
Goods and services	147 002	-	-	(2 618)	-	-	-	(2 618)	144 384
<b>Transfers and subsidies</b>	<b>1 272 557</b>	<b>-</b>	<b>-</b>	<b>5 518</b>	<b>-</b>	<b>(78 850)</b>	<b>-</b>	<b>(73 332)</b>	<b>1 199 225</b>
Departmental agencies and accounts	881 939	-	-	4 318	-	-	-	4 318	886 257
Higher education institutions	3 720	-	-	-	-	-	-	-	3 720
Foreign governments and international organisations	5 864	-	-	-	-	-	-	-	5 864
Non-profit institutions	24 000	-	-	1 200	-	-	-	1 200	25 200
Households	357 034	-	-	-	-	(78 850)	-	(78 850)	278 184
<b>Payments for capital assets</b>	<b>9 274</b>	<b>-</b>	<b>-</b>	<b>1 100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 100</b>	<b>10 374</b>
Machinery and equipment	9 145	-	-	1 100	-	-	-	1 100	10 245
Software and other intangible assets	129	-	-	-	-	-	-	-	129
<b>Total</b>	<b>1 662 110</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(78 850)</b>	<b>-</b>	<b>(78 850)</b>	<b>1 583 260</b>

## Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	36 204	-	-	900	-	-	-	900	37 104
Management	17 807	-	-	-	-	-	-	-	17 807
Corporate Affairs	141 381	-	-	1 900	-	-	-	1 900	143 281
Office Accommodation	26 427	-	-	-	-	-	-	-	26 427
<b>Total</b>	<b>221 819</b>	<b>-</b>	<b>-</b>	<b>2 800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 800</b>	<b>224 619</b>



**Programme 1: Administration (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>216 437</b>	-	-	<b>1 082</b>	-	-	-	<b>1 082</b>	<b>217 519</b>
Compensation of employees	114 633	-	-	-	-	-	-	-	114 633
Goods and services	101 804	-	-	1 082	-	-	-	1 082	102 886
<b>Transfers and subsidies</b>	<b>-</b>	-	-	<b>618</b>	-	-	-	<b>618</b>	<b>618</b>
Departmental agencies and accounts	-	-	-	618	-	-	-	618	618
<b>Payments for capital assets</b>	<b>5 382</b>	-	-	<b>1 100</b>	-	-	-	<b>1 100</b>	<b>6 482</b>
Machinery and equipment	5 315	-	-	1 100	-	-	-	1 100	6 415
Software and other intangible assets	67	-	-	-	-	-	-	-	67
<b>Total</b>	<b>221 819</b>	-	-	<b>2 800</b>	-	-	-	<b>2 800</b>	<b>224 619</b>

**Programme 2: Policy and Knowledge Services**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Policy and Knowledge Services Management	4 012	-	-	-	-	-	-	-	4 012
Policy Development and Evaluation	21 549	-	-	-	-	-	-	-	21 549
Research and Knowledge Management	23 292	-	-	-	-	-	-	-	23 292
South African Tourism	876 309	-	-	3 700	-	-	-	3 700	880 009
<b>Total</b>	<b>925 162</b>	-	-	<b>3 700</b>	-	-	-	<b>3 700</b>	<b>928 862</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>44 259</b>	-	-	-	-	-	-	-	<b>44 259</b>
Compensation of employees	32 032	-	-	-	-	-	-	-	32 032
Goods and services	12 227	-	-	-	-	-	-	-	12 227
<b>Transfers and subsidies</b>	<b>880 029</b>	-	-	<b>3 700</b>	-	-	-	<b>3 700</b>	<b>883 729</b>
Departmental agencies and accounts	876 309	-	-	3 700	-	-	-	3 700	880 009
Higher education institutions	3 720	-	-	-	-	-	-	-	3 720
<b>Payments for capital assets</b>	<b>874</b>	-	-	-	-	-	-	-	<b>874</b>
Machinery and equipment	874	-	-	-	-	-	-	-	874
<b>Total</b>	<b>925 162</b>	-	-	<b>3 700</b>	-	-	-	<b>3 700</b>	<b>928 862</b>

**Programme 3: International Tourism**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
International Tourism Management	3 710	-	-	(200)	-	-	-	(200)	3 510
Americas and Caribbean	13 564	-	-	(880)	-	-	-	(880)	12 684
Europe	9 195	-	-	(1 265)	-	-	-	(1 265)	7 930
Africa and Middle East	15 438	-	-	(2 960)	-	-	-	(2 960)	12 478
Asia and Australasia	10 009	-	-	(1 195)	-	-	-	(1 195)	8 814
<b>Total</b>	<b>51 916</b>	-	-	<b>(6 500)</b>	-	-	-	<b>(6 500)</b>	<b>45 416</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>45 131</b>	-	-	<b>(6 500)</b>	-	-	-	<b>(6 500)</b>	<b>38 631</b>
Compensation of employees	34 685	-	-	(2 800)	-	-	-	(2 800)	31 885
Goods and services	10 446	-	-	(3 700)	-	-	-	(3 700)	6 746
<b>Transfers and subsidies</b>	<b>5 864</b>	-	-	-	-	-	-	-	<b>5 864</b>
Foreign governments and international organisations	5 864	-	-	-	-	-	-	-	5 864
<b>Payments for capital assets</b>	<b>921</b>	-	-	-	-	-	-	-	<b>921</b>
Machinery and equipment	921	-	-	-	-	-	-	-	921
<b>Total</b>	<b>51 916</b>	-	-	<b>(6 500)</b>	-	-	-	<b>(6 500)</b>	<b>45 416</b>

**Programme 4: Domestic Tourism**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Domestic Tourism Management	10 373	-	-	(800)	-	-	-	(800)	9 573
Domestic Tourism Management: Southern Region	13 250	-	-	-	-	-	-	-	13 250
Domestic Tourism Management: Northern Region	16 650	-	-	-	-	-	-	-	16 650
Social Responsibility Implementation	399 940	-	-	(1 200)	-	(78 850)	-	(80 050)	319 890
Strategic Partners in Tourism	23 000	-	-	2 000	-	-	-	2 000	25 000
<b>Total</b>	<b>463 213</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(78 850)</b>	<b>-</b>	<b>(78 850)</b>	<b>384 363</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>74 452</b>	<b>-</b>	<b>-</b>	<b>(1 200)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 200)</b>	<b>73 252</b>
Compensation of employees	51 927	-	-	(1 200)	-	-	-	(1 200)	50 727
Goods and services	22 525	-	-	-	-	-	-	-	22 525
<b>Transfers and subsidies</b>	<b>386 664</b>	<b>-</b>	<b>-</b>	<b>1 200</b>	<b>-</b>	<b>(78 850)</b>	<b>-</b>	<b>(77 650)</b>	<b>309 014</b>
Departmental agencies and accounts	5 630	-	-	-	-	-	-	-	5 630
Non-profit institutions	24 000	-	-	1 200	-	-	-	1 200	25 200
Households	357 034	-	-	-	-	(78 850)	-	(78 850)	278 184
<b>Payments for capital assets</b>	<b>2 097</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 097</b>
Machinery and equipment	2 035	-	-	-	-	-	-	-	2 035
Software and other intangible assets	62	-	-	-	-	-	-	-	62
<b>Total</b>	<b>463 213</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(78 850)</b>	<b>-</b>	<b>(78 850)</b>	<b>384 363</b>

**Details of adjustments to the Estimates of National Expenditure 2014**

**Virements and shifts**

Programmes					
1. Administration					
2. Policy and Knowledge Services					
3. International Tourism					
4. Domestic Tourism					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(618)</b>	<b>Programme 1</b>		<b>618</b>
Goods and services	Reallocation of funds from training and development <sup>1</sup>	(388)	Departmental agencies and accounts	Transfer of funds to the Public Sector Education and Training Authority for training and development purposes	388
	Reallocation of funds from training and development <sup>1</sup>	(230)	Departmental agencies and accounts	Transfer of funds to the Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority for training and development purposes <sup>1</sup>	230
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 3</b>		<b>(6 500)</b>	<b>Programme 2</b>		<b>3 700</b>
Goods and services	Reallocation of funds from travel and subsistence, communication and advertising <sup>1</sup>	(3 700)	Departmental agencies and accounts	Additional funds required by South African Tourism for the distribution of marketing material, translation, and the distribution of the material to South African missions abroad <sup>1</sup>	3 700
Compensation of employees	Vacant posts and posts filled later than anticipated <sup>1</sup>	(1 700)	<b>Programme 1</b>		<b>2 800</b>
	Vacant posts and posts filled later than anticipated <sup>1</sup>	(1 100)	Goods and services	Additional funds required for expenditure relating to communication systems	1 700
			Machinery and equipment	Motor vehicles and computer and office equipment	1 100
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget <sup>2</sup>		12.5%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(1 200)</b>	<b>Programme 4</b>		<b>1 200</b>
Compensation of employees	Vacant posts and posts filled later than anticipated <sup>1</sup>	(1 200)	Non-profit institutions	Increase in transfer to Strategic Partners in Tourism in line with inflation <sup>1</sup>	1 200
Shifts within the programme as a percentage of the programme budget		0.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(8 318)</b>	<b>8 318</b>		

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

## Declared unspent funds – R78.850 million

Programme 4: Domestic Tourism

R78.850 million of the 2014 budget for the tourism incentive programme in the Domestic Tourism programme has been declared as unspent funds.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
Administration	208 110	93 417	44.9	212 000	101.9	224 619	14.2	91 266	40.6	
Policy and Knowledge Services	901 843	432 952	48.0	908 790	100.8	928 862	58.7	683 990	73.6	
International Tourism	41 013	18 133	44.2	37 886	92.4	45 416	2.9	17 852	39.3	
Domestic Tourism	369 608	144 735	39.2	353 991	95.8	384 363	24.3	201 226	52.4	
<b>Total</b>	<b>1 520 574</b>	<b>689 237</b>	<b>45.3</b>	<b>1 512 667</b>	<b>99.5</b>	<b>1 583 260</b>	<b>100.0</b>	<b>994 334</b>	<b>62.8</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>360 658</b>	<b>155 189</b>	<b>43.0</b>	<b>340 805</b>	<b>94.5</b>	<b>373 661</b>	<b>23.6</b>	<b>152 443</b>	<b>40.8</b>	
Compensation of employees	205 777	101 904	49.5	202 371	98.3	229 277	14.5	106 915	46.6	
Goods and services	154 881	53 285	34.4	138 434	89.4	144 384	9.1	45 528	31.5	
<b>Transfers and subsidies</b>	<b>1 156 789</b>	<b>528 504</b>	<b>45.7</b>	<b>1 160 115</b>	<b>100.3</b>	<b>1 199 225</b>	<b>75.7</b>	<b>836 582</b>	<b>69.8</b>	
Departmental agencies and accounts	862 633	417 609	48.4	872 633	101.2	886 257	56.0	667 930	75.4	
Higher education institutions	3 105	–	0.0	3 105	100.0	3 720	0.2	–	0.0	
Foreign governments and international organisations	1 830	1 830	100.0	4 813	263.0	5 864	0.4	2 286	39.0	
Non-profit institutions	26 000	13 000	50.0	26 000	100.0	25 200	1.6	11 700	46.4	
Households	263 221	96 065	36.5	253 564	96.3	278 184	17.6	154 666	55.6	
<b>Payments for capital assets</b>	<b>3 127</b>	<b>5 519</b>	<b>176.5</b>	<b>11 629</b>	<b>371.9</b>	<b>10 374</b>	<b>0.7</b>	<b>5 287</b>	<b>51.0</b>	
Machinery and equipment	3 111	5 425	174.4	10 330	332.0	10 245	0.6	5 259	51.3	
Software and other intangible assets	16	94	587.5	1 299	8118.8	129	0.0	28	21.7	
<b>Payments for financial assets</b>	<b>–</b>	<b>25</b>	<b>0.0</b>	<b>118</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>22</b>	<b>0.0</b>	
<b>Total</b>	<b>1 520 574</b>	<b>689 237</b>	<b>45.3</b>	<b>1 512 667</b>	<b>99.5</b>	<b>1 583 260</b>	<b>100.0</b>	<b>994 334</b>	<b>62.8</b>	

## Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R994.334 million or 62.8 per cent of the adjusted appropriation of R1.583 billion for the year. In comparison, mid-year expenditure in 2013/14 was R689.237 million, or 45.3 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R305.097 million, or 44.3 per cent. This was mainly due to funds being transferred to South African Tourism to limit losses incurred from the depreciation of the Rand.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 13 - Sep 13	adjusted estimate	% of	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	adjusted estimate	
		Apr 13 - Sep 13	Apr 13 - Mar 14 % of	Apr 13 - Mar 14	Apr 13 - Mar 14	Apr 13 - Mar 14	Apr 13 - Mar 14	Apr 13 - Mar 14	Apr 13 - Mar 14	
<b>Departmental receipts</b>	<b>4 068</b>	<b>3 579</b>	<b>88.0</b>	<b>4 209</b>	<b>103.5</b>	<b>1 687</b>	<b>3 486</b>	<b>100.0</b>	<b>1 936</b>	<b>55.5</b>
Sales of goods and services produced by department	140	68	48.6	141	100.7	95	134	3.8	81	60.4
Interest, dividends and rent on land	28	6	21.4	11	39.3	30	30	0.9	4	13.3
Sales of capital assets	600	495	82.5	592	98.7	-	22	0.6	12	54.5
Transactions in financial assets and liabilities	3 300	3 010	91.2	3 465	105.0	1 562	3 300	94.7	1 839	55.7
<b>Total</b>	<b>4 068</b>	<b>3 579</b>	<b>88.0</b>	<b>4 209</b>	<b>103.5</b>	<b>1 687</b>	<b>3 486</b>	<b>100.0</b>	<b>1 936</b>	<b>55.5</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R1.936 million, or 55.5 per cent of the adjusted revenue estimate of R3.486 million for the year. In comparison, mid-year revenue in 2013/14 was R3.579 million, or 88 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R1.643 million, or 45.9 per cent. This was mainly due to debt recovered in relation to the previous years' expenditure.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>									
	-	-	-	618	-	-	-	618	618
Culture, Arts, Tourism, Hospitality and Sports Sector	-	-	-	230	-	-	-	230	230
Education and Training Authority	-	-	-	388	-	-	-	388	388
Public Sector Education and Training Authority	-	-	-						
<b>Policy and Knowledge Services</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>									
	876 309	-	-	3 700	-	-	-	3 700	880 009
South African Tourism	876 309	-	-	3 700	-	-	-	3 700	880 009
<b>Domestic Tourism</b>									
<b>Non-profit institutions</b>									
<b>Current</b>									
	24 000	-	-	1 200	-	-	-	1 200	25 200
Strategic Partners in Tourism	23 000	-	-	2 000	-	-	-	2 000	25 000
Ezemvelo KwaZulu-Natal Wildlife	500	-	-	(500)	-	-	-	(500)	-
Federated Hospitality Association of South Africa	500	-	-	(300)	-	-	-	(300)	200
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>									
	94 250	-	-	-	-	(78 850)	-	(78 850)	15 400
Tourism Incentive Programme	94 250	-	-	-	-	(78 850)	-	(78 850)	15 400

## Trade and Industry

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>9 835 029</b>	<b>9 918 729</b>	–	83 700
<b>of which:</b>				
Current payments	1 536 431	1 675 094	–	138 663
Transfers and subsidies	8 274 464	8 205 789	(68 675)	–
Payments for capital assets	24 134	37 844	–	13 710
Payments for financial assets	–	2	–	2
Executive authority	Minister of Trade and Industry			
Accounting officer	Director-General of Trade and Industry			
Website address	www.thedti.gov.za			

### Aim

*Lead and facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, some functions of the Department of Trade and Industry will shift to the newly created Department of Small Business Development. These changes will be effected by 1 April 2015.

### Mid-year performance status

Indicator	Programme	Outcome	Annual Performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of successful technical and business missions to foreign countries and companies undertaken per year	International Trade and Economic Development	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	17	13	–
Number of government - to - government platforms per year	International Trade and Economic Development		22	47	–
Number of projects supported under the support programme for industrial innovation per year	Incentive Development and Administration	Outcome 4: Decent employment through inclusive growth	25	0	–
Value of support for industrial innovation projects per year			R46m	0	–
Number of technology incubators supported per year	Broadening Participation	Outcome 5: A skilled and capable workforce to support an inclusive growth path	46	43	–
Number of students supported by technology and human resources for industry programme per year			1 458	1 261	–
Number of researchers supported by technology and human resources for industry programme per year			756	1 149	–
Number of new incubators created per year			6	0	–
Number of small, medium and micro enterprises supported (incubation, quality and technology transfers) per year			962	1 576	–

2014 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual Performance			
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15	
Number of quarterly reports on industrial Policy action plan tabled at the ministers review meetings	Industrial Development	Outcome 4: Decent employment through inclusive economic growth	4	1	-	
Number of designations requests submitted to the Minister per year			4	0	-	
Number of students enrolled in the tool-making apprenticeship programme per year			200	148	-	
Number of workers trained through the industrial skills upgrading programme per year			250	253	-	
Number of direct jobs facilitated per year:	Incentive Development and Administration		- Business process offshoring services	6 000	9 181	-
- Enterprise investment programme			2 350	4 602	-	
Number of companies financially assisted per year through:			- Export market and investment assistance	950	1 321	-
- Black business supplier development programme			1 872	588	-	
- Cooperative incentive scheme			431	153	-	
- Automotive incentive scheme			25	30	-	
- Manufacturing competitiveness enhancement programme			350	240	-	
Number of film and television production assisted per year			70	53	-	
Key performance indicators for the critical infrastructure programme:			Number of new projects per year	13	2	-

Mid-year progress

In the first six months of 2014/15, the department facilitated 4 602 jobs through the enterprise investment programme, and 9 181 jobs through business process offshoring services. Both targets were higher than projected for the year, as more applications than anticipated were received. 1 149 researchers were supported through the technology and human resources for industry programme in the first half of 2014/15, which is nearly double the projected 756 researchers. The number of small, medium and micro enterprises (SMMEs) supported through the technology incubation programme was 1 576 by mid-year, exceeding the projected target of 962 for the year. This was due to three new incubators approved towards the end of 2013/14, which became operational in the first two quarters of 2014/15. The support programme for industrial innovation is on hold until the restructuring process for the management of the programme is completed. Adjudication of new applications will resume in November 2014. No designation requests of sectors for local procurement were submitted to the minister in the first six months of 2014/15 as the department was conducting research studies.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	706 946	-	33 700	5 230	-	-	50 000	88 930	795 876
International Trade and Economic Development	147 197	-	-	(3 979)	-	-	-	(3 979)	143 218
Broadening Participation	1 005 777	-	-	(53 326)	-	-	-	(53 326)	952 451
Industrial Development	1 796 824	-	-	(6 430)	-	-	-	(6 430)	1 790 394
Consumer and Corporate Regulation	277 256	-	-	8 313	-	-	-	8 313	285 569
Incentive Development and Administration	5 540 281	-	-	53 342	-	-	-	53 342	5 593 623
Trade and Investment South Africa	360 748	-	-	(3 150)	-	-	-	(3 150)	357 598
<b>Total</b>	<b>9 835 029</b>	<b>-</b>	<b>33 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>83 700</b>	<b>9 918 729</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 536 431</b>	<b>-</b>	<b>29 700</b>	<b>58 963</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>138 663</b>	<b>1 675 094</b>
Compensation of employees	916 869	-	16 940	7 561	-	-	-	24 501	941 370
Goods and services	619 562	-	12 760	51 402	-	-	50 000	114 162	733 724
<b>Transfers and subsidies</b>	<b>8 274 464</b>	<b>-</b>	<b>-</b>	<b>(68 675)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(68 675)</b>	<b>8 205 789</b>
Departmental agencies and accounts	1 347 898	-	-	8 511	-	-	-	8 511	1 356 409
Higher education institutions	15 751	-	-	-	-	-	-	-	15 751
Foreign governments and international organisations	35 642	-	-	(2 942)	-	-	-	(2 942)	32 700
Public corporations and private enterprises	6 736 655	-	-	(78 605)	-	-	-	(78 605)	6 658 050
Non-profit institutions	136 768	-	-	3 570	-	-	-	3 570	140 338
Households	1 750	-	-	791	-	-	-	791	2 541
<b>Payments for capital assets</b>	<b>24 134</b>	<b>-</b>	<b>4 000</b>	<b>9 710</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 710</b>	<b>37 844</b>
Machinery and equipment	12 423	-	4 000	9 478	-	-	-	13 478	25 901
Software and other intangible assets	11 711	-	-	232	-	-	-	232	11 943
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>
<b>Total</b>	<b>9 835 029</b>	<b>-</b>	<b>33 700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>83 700</b>	<b>9 918 729</b>

### Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Ministry	40 670	-	33 700	128	-	-	-	33 828	74 498
Office of the Director General	89 004	-	-	7 606	-	-	-	7 606	96 610
Corporate Services	387 345	-	-	16 358	-	-	50 000	66 358	453 703
Office Accommodation	9 738	-	-	(5 608)	-	-	-	(5 608)	4 130
Financial Management	91 328	-	-	(6 856)	-	-	-	(6 856)	84 472
Media Relations and Public Relations	17 616	-	-	(7 000)	-	-	-	(7 000)	10 616
Communications	71 245	-	-	602	-	-	-	602	71 847
<b>Total</b>	<b>706 946</b>	<b>-</b>	<b>33 700</b>	<b>5 230</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>88 930</b>	<b>795 876</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>694 459</b>	<b>-</b>	<b>29 700</b>	<b>(5 716)</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>73 984</b>	<b>768 443</b>
Compensation of employees	280 949	-	16 940	2 808	-	-	-	19 748	300 697
Goods and services	413 510	-	12 760	(8 524)	-	-	50 000	54 236	467 746
<b>Transfers and subsidies</b>	<b>2 474</b>	<b>-</b>	<b>-</b>	<b>1 704</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 704</b>	<b>4 178</b>
Departmental agencies and accounts	-	-	-	1 711	-	-	-	1 711	1 711
Public corporations and private enterprises	724	-	-	-	-	-	-	-	724
Households	1 750	-	-	(7)	-	-	-	(7)	1 743
<b>Payments for capital assets</b>	<b>10 013</b>	<b>-</b>	<b>4 000</b>	<b>9 242</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 242</b>	<b>23 255</b>
Machinery and equipment	6 802	-	4 000	9 010	-	-	-	13 010	19 812
Software and other intangible assets	3 211	-	-	232	-	-	-	232	3 443
<b>Total</b>	<b>706 946</b>	<b>-</b>	<b>33 700</b>	<b>5 230</b>	<b>-</b>	<b>-</b>	<b>50 000</b>	<b>88 930</b>	<b>795 876</b>

**Programme 2: International Trade and Economic Development**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
International Trade Development	91 190	-	-	(1 040)	-	-	-	(1 040)	90 150
African Economic Development	56 007	-	-	(2 939)	-	-	-	(2 939)	53 068
<b>Total</b>	<b>147 197</b>	<b>-</b>	<b>-</b>	<b>(3 979)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 979)</b>	<b>143 218</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>102 548</b>	<b>-</b>	<b>-</b>	<b>(3 837)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 837)</b>	<b>98 711</b>
Compensation of employees	81 996	-	-	2 854	-	-	-	2 854	84 850
Goods and services	20 552	-	-	(6 691)	-	-	-	(6 691)	13 861
<b>Transfers and subsidies</b>	<b>43 768</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>43 811</b>
Foreign governments and international organisations	19 277	-	-	-	-	-	-	-	19 277
Public corporations and private enterprises	24 491	-	-	-	-	-	-	-	24 491
Households	-	-	-	43	-	-	-	43	43
<b>Payments for capital assets</b>	<b>881</b>	<b>-</b>	<b>-</b>	<b>(185)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(185)</b>	<b>696</b>
Machinery and equipment	881	-	-	(185)	-	-	-	(185)	696
<b>Total</b>	<b>147 197</b>	<b>-</b>	<b>-</b>	<b>(3 979)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 979)</b>	<b>143 218</b>

**Programme 3: Broadening Participation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Enterprise Development	902 464	-	-	(52 627)	-	-	-	(52 627)	849 837
Equity and Empowerment	52 853	-	-	239	-	-	-	239	53 092
Regional Economic Development	50 460	-	-	(938)	-	-	-	(938)	49 522
<b>Total</b>	<b>1 005 777</b>	<b>-</b>	<b>-</b>	<b>(53 326)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(53 326)</b>	<b>952 451</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>105 806</b>	<b>-</b>	<b>-</b>	<b>10 961</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 961</b>	<b>116 767</b>
Compensation of employees	75 234	-	-	1 316	-	-	-	1 316	76 550
Goods and services	30 572	-	-	9 645	-	-	-	9 645	40 217
<b>Transfers and subsidies</b>	<b>899 305</b>	<b>-</b>	<b>-</b>	<b>(64 467)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(64 467)</b>	<b>834 838</b>
Departmental agencies and accounts	799 393	-	-	1 800	-	-	-	1 800	801 193
Higher education institutions	15 748	-	-	-	-	-	-	-	15 748
Public corporations and private enterprises	67 844	-	-	(66 342)	-	-	-	(66 342)	1 502
Non-profit institutions	16 320	-	-	-	-	-	-	-	16 320
Households	-	-	-	75	-	-	-	75	75
<b>Payments for capital assets</b>	<b>666</b>	<b>-</b>	<b>-</b>	<b>180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180</b>	<b>846</b>
Machinery and equipment	666	-	-	180	-	-	-	180	846
<b>Total</b>	<b>1 005 777</b>	<b>-</b>	<b>-</b>	<b>(53 326)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(53 326)</b>	<b>952 451</b>

**Programme 4: Industrial Development**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Industrial Competitiveness	657 302	-	-	(6 613)	-	-	-	(6 613)	650 689
Customised Sector Programmes	1 139 522	-	-	183	-	-	-	183	1 139 705
<b>Total</b>	<b>1 796 824</b>	<b>-</b>	<b>-</b>	<b>(6 430)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 430)</b>	<b>1 790 394</b>



**Programme 4: Industrial Development (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>129 027</b>	–	–	(14 721)	–	–	–	(14 721)	<b>114 306</b>
Compensation of employees	102 646	–	–	(7 000)	–	–	–	(7 000)	95 646
Goods and services	26 381	–	–	(7 721)	–	–	–	(7 721)	18 660
<b>Transfers and subsidies</b>	<b>1 667 043</b>	–	–	<b>8 194</b>	–	–	–	<b>8 194</b>	<b>1 675 237</b>
Departmental agencies and accounts	348 010	–	–	–	–	–	–	–	348 010
Higher education institutions	3	–	–	–	–	–	–	–	3
Foreign governments and international organisations	5 592	–	–	208	–	–	–	208	5 800
Public corporations and private enterprises	1 192 990	–	–	4 395	–	–	–	4 395	1 197 385
Non-profit institutions	120 448	–	–	3 570	–	–	–	3 570	124 018
Households	–	–	–	21	–	–	–	21	21
<b>Payments for capital assets</b>	<b>754</b>	–	–	<b>97</b>	–	–	–	<b>97</b>	<b>851</b>
Machinery and equipment	754	–	–	97	–	–	–	97	851
<b>Total</b>	<b>1 796 824</b>	–	–	<b>(6 430)</b>	–	–	–	<b>(6 430)</b>	<b>1 790 394</b>

**Programme 5: Consumer and Corporate Regulation**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Policy and Legislative Development	20 069	–	–	(1 326)	–	–	–	(1 326)	18 743
Enforcement and Compliance	34 549	–	–	1 306	–	–	–	1 306	35 855
Regulatory Services	222 638	–	–	8 333	–	–	–	8 333	230 971
<b>Total</b>	<b>277 256</b>	–	–	<b>8 313</b>	–	–	–	<b>8 313</b>	<b>285 569</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>71 988</b>	–	–	<b>3 284</b>	–	–	–	<b>3 284</b>	<b>75 272</b>
Compensation of employees	49 562	–	–	7 583	–	–	–	7 583	57 145
Goods and services	22 426	–	–	(4 299)	–	–	–	(4 299)	18 127
<b>Transfers and subsidies</b>	<b>204 968</b>	–	–	<b>5 029</b>	–	–	–	<b>5 029</b>	<b>209 997</b>
Departmental agencies and accounts	200 495	–	–	5 000	–	–	–	5 000	205 495
Foreign governments and international organisations	4 473	–	–	–	–	–	–	–	4 473
Households	–	–	–	29	–	–	–	29	29
<b>Payments for capital assets</b>	<b>300</b>	–	–	–	–	–	–	–	<b>300</b>
Machinery and equipment	300	–	–	–	–	–	–	–	300
<b>Total</b>	<b>277 256</b>	–	–	<b>8 313</b>	–	–	–	<b>8 313</b>	<b>285 569</b>

**Programme 6: Incentive Development and Administration**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Broadening Participation Incentives	421 352	-	-	(41 585)	-	-	-	(41 585)	379 767
Manufacturing Incentives	3 649 733	-	-	179 214	-	-	-	179 214	3 828 947
Services Investment Incentives	580 496	-	-	(21 155)	-	-	-	(21 155)	559 341
Infrastructure Development Support	853 800	-	-	(65 635)	-	-	-	(65 635)	788 165
Product and Systems Development	15 736	-	-	847	-	-	-	847	16 583
Business Development and After Care	19 164	-	-	1 656	-	-	-	1 656	20 820
<b>Total</b>	<b>5 540 281</b>	<b>-</b>	<b>-</b>	<b>53 342</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53 342</b>	<b>5 593 623</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>190 045</b>	<b>-</b>	<b>-</b>	<b>69 400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69 400</b>	<b>259 445</b>
Compensation of employees	158 393	-	-	-	-	-	-	-	158 393
Goods and services	31 652	-	-	69 400	-	-	-	69 400	101 052
<b>Transfers and subsidies</b>	<b>5 340 236</b>	<b>-</b>	<b>-</b>	<b>(16 058)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16 058)</b>	<b>5 324 178</b>
Public corporations and private enterprises	5 340 236	-	-	(16 658)	-	-	-	(16 658)	5 323 578
Households	-	-	-	600	-	-	-	600	600
<b>Payments for capital assets</b>	<b>10 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 000</b>
Machinery and equipment	1 500	-	-	-	-	-	-	-	1 500
Software and other intangible assets	8 500	-	-	-	-	-	-	-	8 500
<b>Total</b>	<b>5 540 281</b>	<b>-</b>	<b>-</b>	<b>53 342</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53 342</b>	<b>5 593 623</b>

**Programme 7: Trade and Investment South Africa**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Investment Promotion and Facilitation	49 520	-	-	1 819	-	-	-	1 819	51 339
Export Promotion and Marketing	160 262	-	-	(4 295)	-	-	-	(4 295)	155 967
International Operations	123 408	-	-	1 435	-	-	-	1 435	124 843
Export Development and Support	27 558	-	-	(2 109)	-	-	-	(2 109)	25 449
<b>Total</b>	<b>360 748</b>	<b>-</b>	<b>-</b>	<b>(3 150)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 150)</b>	<b>357 598</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>242 558</b>	<b>-</b>	<b>-</b>	<b>(408)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(408)</b>	<b>242 150</b>
Compensation of employees	168 089	-	-	-	-	-	-	-	168 089
Goods and services	74 469	-	-	(408)	-	-	-	(408)	74 061
<b>Transfers and subsidies</b>	<b>116 670</b>	<b>-</b>	<b>-</b>	<b>(3 120)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 120)</b>	<b>113 550</b>
Foreign governments and international organisations	6 300	-	-	(3 150)	-	-	-	(3 150)	3 150
Public corporations and private enterprises	110 370	-	-	-	-	-	-	-	110 370
Households	-	-	-	30	-	-	-	30	30
<b>Payments for capital assets</b>	<b>1 520</b>	<b>-</b>	<b>-</b>	<b>376</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376</b>	<b>1 896</b>
Machinery and equipment	1 520	-	-	376	-	-	-	376	1 896
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>
<b>Total</b>	<b>360 748</b>	<b>-</b>	<b>-</b>	<b>(3 150)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 150)</b>	<b>357 598</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Unforeseeable and unavoidable expenditure – R33.7 million

Programme 1: Administration

An additional R33.7 million has been allocated for the establishment of the Department of Small Business Development.

### Virements and shifts

<b>Programmes</b>					
1. Administration					
2. International Trade and Economic Development					
3. Broadening Participation					
4. Industrial Development					
5. Consumer and Corporate Regulation					
6. Incentive Development and Administration					
7. Trade and Investment South Africa					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(14 987)</b>	<b>Programme 1</b>		<b>9 395</b>
Goods and services	Cost containment measures effected on training and staff development; travel and subsistence; venues and facilities; reduction on resettlements due to no costs incurred for new employees	(153)	Households	Leave gratuities and donations for deceased employees	153
	Reduced spending on operating leases as a result of a credit note for electricity, and cost containment measures effected on consultants; venues and facilities; travel and subsistence	(9 010)	Machinery and equipment	Area network buffer boxes; office equipment; server, storage and virtual machine ware; security equipment; video conferencing; printers and computer equipment for new employees; and a motor vehicle	9 010
	Reduced spending on communication due to reimbursements of telephone expenses by department and agency staff	(232)	Software and other intangible assets	Computer software	232
	Cost containment measures effected on operating payments such as printing and publications as well as membership and subscription fees to professional bodies	(5 000)	<b>Programme 5</b>		<b>5 000</b>
			Departmental agencies and accounts	ICT for the National Credit Regulator, consumer workshops, and for legal and professional fees <sup>1</sup>	5 000
			<b>Programme 2</b>		<b>432</b>
Compensation of employees	Reallocation of funds from phase 1 to 3 of the salary upgrading process	(432)	Compensation of employees	Implementation of phase 4 of the upgrading of salaries	432
			<b>Programme 1</b>		<b>160</b>
Households	Reduced spending on donations and gifts	(160)	Goods and services	Shortfall in the budget for outreach programmes	160
Shifts within the programme as a percentage of the programme budget		1.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.8%</b>			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(6 924)</b>	<b>Programme 1</b>		<b>4 226</b>
Goods and services	Cost containment measures effected on travel and subsistence; venues and facilities; and advertising	(4 226)	Goods and services	IT services and software licences	4 226
			<b>Programme 2</b>		<b>2 489</b>
	Cost containment measures effected on travel and subsistence	(2 422)	Compensation of employees	Implementation of phase 4 of the upgrading of salaries	2 422
	Cost containment measures effected on travel and subsistence	(67)	Households	Leave gratuities	67
Machinery and equipment	Reduced spending on office equipment and computer hardware <sup>2</sup>	(185)	<b>Programme 1</b>		<b>185</b>
			Goods and services	IT services and software licences	185
Households	Reduced spending on leave gratuities	(24)	<b>Programme 2</b>		<b>24</b>
			Goods and services	Shortfall in the budget for travel and subsistence	24
Shifts within the programme as a percentage of the programme budget		1.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.0%</b>			
<b>Programme 3</b>		<b>(67 897)</b>	<b>Programme 1</b>		<b>1 300</b>
Goods and services	Cost containment measures effected on consultants	(1 300)	Goods and services	Appointment of consultants to develop the regional industrial cluster framework for South Africa	1 300
			<b>Programme 3</b>		<b>13 255</b>
	Cost containment measures effected on consultants and venues and facilities	(75)	Households	Leave gratuities, donations, and gifts for the All About Public Procurement Awards sponsored by the State Owned Enterprises Procurement Forum	75
	Cost containment measures effected on consultants, and venues and facilities	(180)	Machinery and equipment	Office equipment	180
Public corporations and private enterprises	Reallocation of funds from the transfer payment to the Industrial Development Corporation for the Isivande Women's Fund due to the fund being re-evaluated; reallocation of funds from the Industrial Development Corporation's support programme for industrial innovation due to the integration of the programme into the department <sup>2</sup>	(11 200)	Goods and services	Support for the Black Business Council, the black industrialists development programme, and for training and development	11 200
	Reduction on the transfer payment to the Industrial Development Corporation for the Isivande Women's Fund due to the fund being re-evaluated <sup>2</sup>	(1 800)	Departmental agencies and accounts	Allocation to the Independent Regulatory Board of Auditors for broad based black economic empowerment (B-BBEE) verification services <sup>1</sup>	1 800
	Reallocation of funds from the transfer payment to Industrial Development Corporation's support programme for industrial innovation due to the integration of the programme into the department <sup>2</sup>	(53 342)	<b>Programme 6</b>		<b>53 342</b>
			Public corporations and private enterprises	Reallocation to the scheme for broadening participation for women's development and the integration of the support programme for industrial innovation into the department's programme <sup>2</sup>	53 342
Shifts within the programme as a percentage of the programme budget		1.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>5.4%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(14 721)</b>	<b>Programme 4</b>		<b>7 721</b>
Goods and services	Cost containment measures effected on venues and facilities	(21)	Households	Leave gratuities and donations for a deceased employee	21
	Cost containment measures effected on venues and facilities	(97)	Machinery and equipment	Computer equipment for new employees	97
	Cost containment measures effected on venues and facilities	(208)	Foreign governments and international organisations	Increased membership fee for the United Nations Industrial Development Organisation, due to the depreciation of the Rand <sup>2</sup>	208
	Cost containment measures effected on stationery; print and office supplies; and consultants	(4 395)	Public corporations and private enterprises	Increased membership fee for the South African Bureau of Standards' small business technical consulting funding and for the budget shortfall in the Industrial Development Corporation's customer sector programme <sup>2</sup>	4 395
	Cost containment measures effected on consultants	(3 000)	Non-profit institutions	Allocation to Trade and Industrial Policy Strategies to fund research work towards regional industrialisation in the automotive, chemicals, cosmetics, plastics and pharmaceutical sectors <sup>1</sup>	3 000
			<b>Programme 1</b>		<b>1 801</b>
Compensation of employees	Reallocation of funds from phase 1 to 3 of the salary upgrading process	(1 801)	Compensation of employees	Implementation of phase 4 of the upgrading of salaries	1 801
	Reallocation of funds from phase 1 to 3 of the salary upgrading process	(1 316)	<b>Programme 3</b>		<b>1 316</b>
			Compensation of employees	Implementation of phase 4 of the upgrading of salaries	1 316
	Reallocation of funds from phase 1 to 3 of the salary upgrading process	(3 883)	<b>Programme 5</b>		<b>3 883</b>
			Compensation of employees	Implementation of phase 4 of the upgrading of salaries	3 883
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>			
<b>Programme 5</b>		<b>(4 299)</b>	<b>Programme 4</b>		<b>570</b>
Goods and services	Cost containment measures effected on consultants and advisory services	(570)	Non-profit institutions	Allocation to Trade and Industrial Policy Strategies to fund research work towards regional industrialisation in the automotive, chemicals, cosmetics, plastics and pharmaceutical sectors <sup>2</sup>	570
	Reduced spending on computer services as a result of delays in the implementation of the case management system	(3 700)	<b>Programme 5</b>		<b>3 729</b>
	Cost containment measures effected on consultants and advisory services; catering; communication; stationery and printing; travel and subsistence, and venues		Compensation of employees	Implementation of phase 4 of the upgrading of salaries <sup>1</sup>	3 700
	Cost containment measures effected on consultants and advisory services	(29)	Households	Leave gratuities	29
Shifts within the programme as a percentage of the programme budget		1.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.2%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 6</b>		<b>(120 000)</b>	<b>Programme 6</b>		<b>120 000</b>
Public corporations and private enterprises	Reallocation of funds from the industrial development zones: other due to changes in the standard chart of accounts <sup>2</sup>	(600)	Households	Leave gratuities	600
	Reallocation of funds from the industrial development zones: other due to changes in the standard chart of accounts <sup>2</sup>	(69 400)	Goods and services	Pre-feasibility studies for special economic zones, and shortfall in the budget for operating leases, travel and subsistence, fleet services and communication	69 400
	Reallocation of funds from the industrial development zones: other <sup>2</sup>	(50 000)	Public corporations and private enterprises	Special economic zones investment incentives, due to the higher demand for the funding of infrastructure projects <sup>2</sup>	50 000
Shifts within the programme as a percentage of the programme budget		2.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 7</b>		<b>(3 558)</b>	<b>Programme 7</b>		<b>408</b>
Goods and services	Cost containment measures effected on venues and facilities	(30)	Households	Leave gratuities	30
	Cost containment measures effected on venues and facilities, and travel and subsistence	(376)	Machinery and equipment	Computer equipment for new employees	376
	Cost containment measures effected on venues and facilities	(2)	Payments for financial assets	Shortfalls arising from the depreciation of the Rand leading to increased expenditure incurred by foreign offices	2
Foreign governments and international organisations	Reallocation of funds from the transfer payment for the International Bank for Reconstruction and Development <sup>2</sup>	(1 439)	<b>Programme 1</b>		<b>3 150</b>
	Reallocation of funds from the transfer payment for the International Bank for Reconstruction and Development <sup>2</sup>	(1 711)	Compensation of employees	Implementation of the cell phone allowance for qualifying employees <sup>1</sup>	1 439
			Departmental agencies and accounts	Transfer payment to the Public Service Sector Education and Training Authority <sup>1</sup>	1 711
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.9%</b>			
<b>Total</b>		<b>(232 386)</b>			<b>232 386</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

## Other adjustments – R50 million

### Self-financing expenditure

#### Programme 1: Administration

R50 million has been received from the department's public entities for accommodation on the department's campus. This will be used to supplement the payment due as part of the public private partnership agreement.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	adjusted appropriation % of	Apr 13 - Mar 14	adjusted appropriation % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted appropriation % of
R thousand									
Administration	725 929	331 245	45.6	700 370	96.5	795 876	8.0	337 041	42.3
International Trade and Economic Development	141 638	62 395	44.1	139 566	98.5	143 218	1.4	62 549	43.7
Broadening Participation	1 010 307	506 963	50.2	999 833	99.0	952 451	9.6	522 562	54.9
Industrial Development	1 616 224	935 487	57.9	1 575 586	97.5	1 790 394	18.1	1 181 346	66.0
Consumer and Corporate Regulation	256 157	129 676	50.6	256 698	100.2	285 569	2.9	178 940	62.7
Incentive Development and Administration	5 443 134	2 140 364	39.3	5 361 292	98.5	5 593 623	56.4	1 597 970	28.6
Trade and Investment South Africa	322 191	164 960	51.2	346 951	107.7	357 598	3.6	120 664	33.7
<b>Total</b>	<b>9 515 580</b>	<b>4 271 090</b>	<b>44.9</b>	<b>9 380 296</b>	<b>98.6</b>	<b>9 918 729</b>	<b>100.0</b>	<b>4 001 072</b>	<b>40.3</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 527 677</b>	<b>667 611</b>	<b>43.7</b>	<b>1 479 700</b>	<b>96.9</b>	<b>1 675 094</b>	<b>16.9</b>	<b>727 561</b>	<b>43.4</b>
Compensation of employees	818 272	379 267	46.3	789 346	96.5	941 370	9.5	455 787	48.4
Goods and services	709 405	288 344	40.6	690 354	97.3	733 724	7.4	271 774	37.0
<b>Transfers and subsidies</b>	<b>7 950 011</b>	<b>3 596 814</b>	<b>45.2</b>	<b>7 880 776</b>	<b>99.1</b>	<b>8 205 789</b>	<b>82.7</b>	<b>3 266 663</b>	<b>39.8</b>
Departmental agencies and accounts	1 285 722	720 459	56.0	1 287 727	100.2	1 356 409	13.7	862 113	63.6
Higher education institutions	12 834	6 666	51.9	12 830	100.0	15 751	0.2	7 500	47.6
Foreign governments and international organisations	34 538	–	0.0	37 573	108.8	32 700	0.3	515	1.6
Public corporations and private enterprises	6 510 211	2 853 293	43.8	6 511 248	100.0	6 658 050	67.1	2 309 153	34.7
Non-profit institutions	104 119	14 717	14.1	26 885	25.8	140 338	1.4	86 160	61.4
Households	2 587	1 679	64.9	4 513	174.4	2 541	0.0	1 222	48.1
<b>Payments for capital assets</b>	<b>37 891</b>	<b>6 014</b>	<b>15.9</b>	<b>18 656</b>	<b>49.2</b>	<b>37 844</b>	<b>0.4</b>	<b>6 788</b>	<b>17.9</b>
Machinery and equipment	13 546	5 246	38.7	12 041	88.9	25 901	0.3	6 788	26.2
Software and other intangible assets	24 345	768	3.2	6 615	27.2	11 943	0.1	–	0.0
<b>Payments for financial assets</b>	<b>1</b>	<b>651</b>	<b>651.0</b>	<b>1 164</b>	<b>1164.0</b>	<b>2</b>	<b>0.0</b>	<b>60</b>	<b>3000.0</b>
<b>Total</b>	<b>9 515 580</b>	<b>4 271 090</b>	<b>44.9</b>	<b>9 380 296</b>	<b>98.6</b>	<b>9 918 729</b>	<b>100.0</b>	<b>4 001 072</b>	<b>40.3</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 98.6 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R4.001 billion, or 40.3 per cent of the adjusted appropriation of R9.919 billion for the year. In comparison, mid-year expenditure in 2013/14 was R4.271 billion, or 44.9 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R270.018 million, or 6.3 per cent. This was mainly due to a decrease in spending on goods and services in travel and subsistence, contractors and venues and facilities.

## Departmental receipts

	2013/14					2014/15				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	adjusted estimate % of	Apr 13 - Mar 14	adjusted estimate % of	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	adjusted estimate % of
R thousand										
<b>Departmental receipts</b>	<b>89 023</b>	<b>13 576</b>	<b>15.2</b>	<b>71 741</b>	<b>80.6</b>	<b>96 631</b>	<b>85 015</b>	<b>100.0</b>	<b>40 334</b>	<b>47.4</b>
<b>Tax receipts</b>	<b>5 200</b>	<b>1 518</b>	<b>29.2</b>	<b>4 228</b>	<b>81.3</b>	<b>5 300</b>	<b>5 300</b>	<b>6.2</b>	<b>1 221</b>	<b>23.0</b>
Sales of goods and services produced by department	525	214	40.8	482	91.8	413	493	0.6	223	45.2
Sales of scrap, waste, arms and other used current goods	–	–	0.0	–	0.0	1	–	0.0	–	0.0
Fines, penalties and forfeits	30	6	20.0	20 420	68 066.7	195	241	0.3	82	34.0
Interest, dividends and rent on land	25 032	38	0.2	94	0.4	26 000	429	0.5	55	12.8
Sales of capital assets	–	–	–	38	0.0	200	250	0.3	223	89.2
Transactions in financial assets and liabilities	58 236	11 800	20.3	46 479	79.8	64 522	78 302	92.1	38 530	49.2
<b>Total</b>	<b>89 023</b>	<b>13 576</b>	<b>15.2</b>	<b>71 741</b>	<b>80.6</b>	<b>96 631</b>	<b>85 015</b>	<b>100.0</b>	<b>40 334</b>	<b>47.4</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R40.334 million, or 47.4 per cent of the adjusted revenue estimate of R85.015 million for the year. In comparison, mid-year revenue in 2013/14 was R13.576 million, or 15.2 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R26.758 million, or 197.1 per cent. This was mainly due to the increase in debts recovered.

## Changes to transfers and subsidies, including conditional grants

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

	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	–	–	–	1 711	–	–	–	1 711	1 711
Public Service Sector Education and Training Authority	–	–	–	1 711	–	–	–	1 711	1 711
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	–	–	–	149	–	–	–	149	149
Employee social benefits	–	–	–	149	–	–	–	149	149
<b>Other transfers to households</b>									
<b>Current</b>	160	–	–	(156)	–	–	–	(156)	4
Gifts and donations	160	–	–	(156)	–	–	–	(156)	4
<b>International Trade and Economic Development</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	13 774	–	–	–	–	–	–	–	13 774
World Trade Organisation	10 624	–	–	3 150	–	–	–	3 150	13 774
Comprehensive Nuclear Test-Ban-Treaty Organisation	3 150	–	–	(3 150)	–	–	–	(3 150)	–
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	–	–	–	43	–	–	–	43	43
Employee social benefits	–	–	–	43	–	–	–	43	43



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

R thousand	2014/15							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Broadening Participation</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	1 800	-	-	-	1 800	1 800
Independent Regulatory Board of Auditors	-	-	-	1 800	-	-	-	1 800	1 800
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	11 190	-	-	(11 190)	-	-	-	(11 190)	-
Industrial Development Corporation: Isivande Women's Fund	11 190	-	-	(11 190)	-	-	-	(11 190)	-
<b>Capital</b>	55 153	-	-	(55 152)	-	-	-	(55 152)	1
Industrial Development Corporation	55 153	-	-	(55 152)	-	-	-	(55 152)	1
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	35	-	-	-	35	35
Employee social benefits	-	-	-	35	-	-	-	35	35
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	40	-	-	-	40	40
Gifts and donations	-	-	-	40	-	-	-	40	40
<b>Industrial Development</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	5 592	-	-	208	-	-	-	208	5 800
United Nations Industrial Development Organisation	5 592	-	-	208	-	-	-	208	5 800
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	1 170 490	-	-	4 395	-	-	-	4 395	1 174 885
Industrial Development Corporation of South Africa	879 609	-	-	7 635	-	-	-	7 635	887 244
Council for Scientific and Industrial Research	69 422	-	-	(3 500)	-	-	-	(3 500)	65 922
South African Bureau of Standards	221 459	-	-	260	-	-	-	260	221 719
<b>Non-profit institutions</b>									
<b>Current</b>	6 000	-	-	3 570	-	-	-	3 570	9 570
Trade and industrial policy strategies	6 000	-	-	3 570	-	-	-	3 570	9 570
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	13	-	-	-	13	13
Employee social benefits	-	-	-	13	-	-	-	13	13
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	8	-	-	-	8	8
Gifts and donations	-	-	-	8	-	-	-	8	8
<b>Consumer and Corporate Regulation</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	63 845	-	-	5 000	-	-	-	5 000	68 845
National Credit Regulator	63 845	-	-	5 000	-	-	-	5 000	68 845
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	29	-	-	-	29	29
Employee social benefits	-	-	-	29	-	-	-	29	29

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

R thousand	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
<b>Incentive Development and Administration</b>									
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Capital</b>	-	-	-	45 152	-	-	-	45 152	45 152
Support Programme for Industrial Innovation	-	-	-	45 152	-	-	-	45 152	45 152
<b>Public corporations and private enterprises</b>									
<b>Private enterprises</b>									
<b>Subsidies on production or products</b>									
<b>Current</b>	770 000	-	-	(140 000)	-	-	-	(140 000)	630 000
Services sector development incentives	570 000	-	-	(20 000)	-	-	-	(20 000)	550 000
Industrial development zones: Other	200 000	-	-	(120 000)	-	-	-	(120 000)	80 000
<b>Capital</b>	450 000	-	-	150 000	-	-	-	150 000	600 000
Special economic zones	450 000	-	-	150 000	-	-	-	150 000	600 000
<b>Public corporations and private enterprises</b>									
<b>Private enterprises</b>									
<b>Other transfers</b>									
<b>Current</b>	640 000	-	-	28 190	-	-	-	28 190	668 190
Broadening participation development incentives	400 000	-	-	(91 810)	-	-	-	(91 810)	308 190
Export market and investment assistance	240 000	-	-	120 000	-	-	-	120 000	360 000
<b>Capital</b>	190 000	-	-	(100 000)	-	-	-	(100 000)	90 000
Critical infrastructure programme	190 000	-	-	(100 000)	-	-	-	(100 000)	90 000
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	600	-	-	-	600	600
Employee social benefits	-	-	-	600	-	-	-	600	600
<b>Trade and Investment South Africa</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	3 150	-	-	(3 150)	-	-	-	(3 150)	-
Export Consultancy Trust Funds - International Bank for Reconstruction and Development (World Bank)	3 150	-	-	(3 150)	-	-	-	(3 150)	-
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	30	-	-	-	30	30
Employees social benefits	-	-	-	30	-	-	-	30	30

## Transport

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>48 726 518</b>	<b>48 770 669</b>	-	44 151
<b>of which:</b>				
Current payments	968 118	1 006 451	-	38 333
Transfers and subsidies	47 754 194	47 755 816	-	1 622
Payments for capital assets	4 206	8 402	-	4 196
Executive authority	Minister of Transport			
Accounting officer	Director-General of Transport			
Website address	www.transport.gov.za			

### Aim

*Lead the provision of an integrated, sustainable, reliable and safe transport system through planning, developing, coordinating, promoting and implementing transport policies, regulations and strategies.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of Metrorail passenger trips per year	Rail Transport	Outcome 6: An efficient, competitive and responsive economic infrastructure network	608 million	138.97 million <sup>1</sup>	-
Lane kilometres of surfaced roads rehabilitated	Road Transport		1 100	418	-
Lane kilometres of roads resealed	Road Transport		3 000	1 585	-
Square kilometres of blacktop patching on roads (including pothole repairs)	Road Transport		810 000	361 880	-
Kilometres of gravel roads bladed	Road Transport		350 000	45 228	-
Length of network (kilometres) with active routine road maintenance contracts	Road Transport		19 704	2	-
Number of appeals processed in terms of the Transport Appeal Tribunal Act (1998)	Public Transport		30	21	-
Number of average weekday bus rapid transit passengers: Rea Vaya in Johannesburg	Public Transport		85 000	45 000	-
Number of integrated public transport networks facilitated at construction phase	Public Transport		6	10	-
Number of average weekday bus rapid transit passengers: MyCiti in Cape Town	Public Transport		80 000	50 000	-

1. Performance for the first quarter of 2014/15.

2. The indicator can only be measured at the end of the financial year.

### Mid-year progress

There were 138.97 million Metrorail passenger trips in the first quarter of 2014/15. The annual target will be revised from 608 million per year to 564 million to align with the corporate plan for the Passenger Rail Agency of South Africa, which was approved after the 2014 ENE was published.

The Rea Vaya bus rapid transit system in Johannesburg carries an average of 45 000 weekday passengers and the My Citi bus rapid transit system in Cape Town carries an average of 50 000 weekday passengers. These numbers are below the anticipated 85 000 weekday passengers for Johannesburg and 80 000 for Cape Town. This is due to the slower than expected rate of passengers transitioning from other modes of transport

to bus rapid transit systems, as the full integration of rapid public transport networks has not yet materialised.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	382 860	-	42 020	-	-	-	-	42 020	424 880
Integrated Transport Planning	81 184	-	-	-	-	-	-	-	81 184
Rail Transport	15 034 556	-	-	-	-	-	-	-	15 034 556
Road Transport	21 645 287	-	-	-	-	-	-	-	21 645 287
Civil Aviation	148 271	-	2 131	-	-	-	-	2 131	150 402
Maritime Transport	110 589	-	-	-	-	-	-	-	110 589
Public Transport	11 323 771	-	-	-	-	-	-	-	11 323 771
<b>Total</b>	<b>48 726 518</b>	<b>-</b>	<b>44 151</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44 151</b>	<b>48 770 669</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>968 118</b>	<b>-</b>	<b>44 151</b>	<b>(5 818)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38 333</b>	<b>1 006 451</b>
Compensation of employees	383 381	-	-	(500)	-	-	-	(500)	382 881
Goods and services	584 737	-	44 151	(5 318)	-	-	-	38 833	623 570
<b>Transfers and subsidies</b>	<b>47 754 194</b>	<b>-</b>	<b>-</b>	<b>1 622</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 622</b>	<b>47 755 816</b>
Provinces and municipalities	20 140 276	-	-	-	-	-	-	-	20 140 276
Departmental agencies and accounts	12 202 968	-	-	920	-	-	-	920	12 203 888
Higher education institutions	10 790	-	-	-	-	-	-	-	10 790
Foreign governments and international organisations	10 082	-	-	-	-	-	-	-	10 082
Public corporations and private enterprises	14 946 300	-	-	-	-	-	-	-	14 946 300
Non-profit institutions	20 013	-	-	702	-	-	-	702	20 715
Households	423 765	-	-	-	-	-	-	-	423 765
<b>Payments for capital assets</b>	<b>4 206</b>	<b>-</b>	<b>-</b>	<b>4 196</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 196</b>	<b>8 402</b>
Machinery and equipment	4 206	-	-	4 196	-	-	-	4 196	8 402
<b>Total</b>	<b>48 726 518</b>	<b>-</b>	<b>44 151</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44 151</b>	<b>48 770 669</b>

### Programme 1: Administration

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Ministry	38 560	-	-	-	-	-	-	-	38 560
Management	68 857	-	-	(2 136)	-	-	-	(2 136)	66 721
Corporate Services	185 829	-	42 020	2 136	-	-	-	44 156	229 985
Communications	43 098	-	-	-	-	-	-	-	43 098
Office Accommodation	46 516	-	-	-	-	-	-	-	46 516
<b>Total</b>	<b>382 860</b>	<b>-</b>	<b>42 020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42 020</b>	<b>424 880</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>369 378</b>	<b>-</b>	<b>42 020</b>	<b>(4 616)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37 404</b>	<b>406 782</b>
Compensation of employees	172 806	-	-	-	-	-	-	-	172 806
Goods and services	196 572	-	42 020	(4 616)	-	-	-	37 404	233 976
<b>Transfers and subsidies</b>	<b>11 182</b>	<b>-</b>	<b>-</b>	<b>920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>920</b>	<b>12 102</b>
Departmental agencies and accounts	231	-	-	920	-	-	-	920	1 151
Higher education institutions	10 790	-	-	-	-	-	-	-	10 790
Households	161	-	-	-	-	-	-	-	161
<b>Payments for capital assets</b>	<b>2 300</b>	<b>-</b>	<b>-</b>	<b>3 696</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 696</b>	<b>5 996</b>
Machinery and equipment	2 300	-	-	3 696	-	-	-	3 696	5 996
<b>Total</b>	<b>382 860</b>	<b>-</b>	<b>42 020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42 020</b>	<b>424 880</b>

**Programme 2: Integrated Transport Planning**

Subprogramme	2014/15									
	Main appropriation	Adjustments appropriation							Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
Macro Sector Planning	12 565	-	-	2 000	-	-	-	2 000	14 565	
Logistics	20 770	-	-	(4 000)	-	-	-	(4 000)	16 770	
Modeling and Economic Analysis	23 131	-	-	(900)	-	-	-	(900)	22 231	
Regional Integration	8 039	-	-	-	-	-	-	-	8 039	
Research and Innovation	10 822	-	-	2 900	-	-	-	2 900	13 722	
Integrated Transport Planning Administration Support	5 857	-	-	-	-	-	-	-	5 857	
<b>Total</b>	<b>81 184</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81 184</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>80 955</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80 955</b>	
Compensation of employees	39 382	-	-	-	-	-	-	-	39 382	
Goods and services	41 573	-	-	-	-	-	-	-	41 573	
<b>Payments for capital assets</b>	<b>229</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>229</b>	
Machinery and equipment	229	-	-	-	-	-	-	-	229	
<b>Total</b>	<b>81 184</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81 184</b>	

**Programme 3: Rail Transport**

Subprogramme	2014/15									
	Main appropriation	Adjustments appropriation							Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
Rail Regulation	13 869	-	-	-	-	-	-	-	13 869	
Rail Infrastructure and Industry Development	10 825	-	-	-	-	-	-	-	10 825	
Rail Operations	7 108	-	-	-	-	-	-	-	7 108	
Rail Oversight	14 997 804	-	-	-	-	-	-	-	14 997 804	
Rail Administration Support	4 950	-	-	-	-	-	-	-	4 950	
<b>Total</b>	<b>15 034 556</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 034 556</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>36 679</b>	<b>-</b>	<b>-</b>	<b>(500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(500)</b>	<b>36 179</b>	
Compensation of employees	20 770	-	-	(500)	-	-	-	(500)	20 270	
Goods and services	15 909	-	-	-	-	-	-	-	15 909	
<b>Transfers and subsidies</b>	<b>14 997 804</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 997 804</b>	
Departmental agencies and accounts	51 504	-	-	-	-	-	-	-	51 504	
Public corporations and private enterprises	14 946 300	-	-	-	-	-	-	-	14 946 300	
<b>Payments for capital assets</b>	<b>73</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>573</b>	
Machinery and equipment	73	-	-	500	-	-	-	500	573	
<b>Total</b>	<b>15 034 556</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 034 556</b>	

**Programme 4: Road Transport**

Subprogramme	2014/15									
	Main appropriation	Adjustments appropriation							Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand										
Road Regulation	30 718	-	-	70	-	-	-	70	30 788	
Road Infrastructure and Industry Development	44 168	-	-	(3 673)	-	-	-	(3 673)	40 495	
Road Oversight	21 550 663	-	-	-	-	-	-	-	21 550 663	
Road Administration Support	6 775	-	-	3 603	-	-	-	3 603	10 378	
Road Engineering Standards	12 963	-	-	-	-	-	-	-	12 963	
<b>Total</b>	<b>21 645 287</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21 645 287</b>	

**Programme 4: Road Transport (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>99 657</b>	-	-	-	-	-	-	-	<b>99 657</b>
Compensation of employees	50 599	-	-	-	-	-	-	-	50 599
Goods and services	49 058	-	-	-	-	-	-	-	49 058
<b>Transfers and subsidies</b>	<b>21 544 976</b>	-	-	-	-	-	-	-	<b>21 544 976</b>
Provinces and municipalities	9 436 721	-	-	-	-	-	-	-	9 436 721
Departmental agencies and accounts	12 108 255	-	-	-	-	-	-	-	12 108 255
<b>Payments for capital assets</b>	<b>654</b>	-	-	-	-	-	-	-	<b>654</b>
Machinery and equipment	654	-	-	-	-	-	-	-	654
<b>Total</b>	<b>21 645 287</b>	-	-	-	-	-	-	-	<b>21 645 287</b>

**Programme 5: Civil Aviation**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Aviation Policy and Regulations	22 618	-	-	804	-	-	-	804	23 422
Aviation Economic Analysis and Industry Development	11 333	-	-	-	-	-	-	-	11 333
Aviation Safety, Security Environment and Search and Rescue	69 673	-	-	(1 506)	-	-	-	(1 506)	68 167
Aviation Oversight	39 027	-	-	702	-	-	-	702	39 729
Aviation Administration Support	5 620	-	-	-	-	-	-	-	5 620
Mthatha Airport	-	-	2 131	-	-	-	-	2 131	2 131
<b>Total</b>	<b>148 271</b>	-	<b>2 131</b>	-	-	-	-	<b>2 131</b>	<b>150 402</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>111 646</b>	-	<b>2 131</b>	<b>(702)</b>	-	-	-	<b>1 429</b>	<b>113 075</b>
Compensation of employees	36 060	-	-	-	-	-	-	-	36 060
Goods and services	75 586	-	2 131	(702)	-	-	-	1 429	77 015
<b>Transfers and subsidies</b>	<b>36 198</b>	-	-	<b>702</b>	-	-	-	<b>702</b>	<b>36 900</b>
Departmental agencies and accounts	26 126	-	-	-	-	-	-	-	26 126
Foreign governments and international organisations	8 466	-	-	-	-	-	-	-	8 466
Non-profit institutions	1 606	-	-	702	-	-	-	702	2 308
<b>Payments for capital assets</b>	<b>427</b>	-	-	-	-	-	-	-	<b>427</b>
Machinery and equipment	427	-	-	-	-	-	-	-	427
<b>Total</b>	<b>148 271</b>	-	<b>2 131</b>	-	-	-	-	<b>2 131</b>	<b>150 402</b>

**Programme 6: Maritime Transport**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Maritime Policy Development	13 064	-	-	(1 812)	-	-	-	(1 812)	11 252
Maritime Infrastructure and Industry Development	10 920	-	-	-	-	-	-	-	10 920
Implementation, Monitoring and Evaluations	61 483	-	-	1 123	-	-	-	1 123	62 606
Maritime Oversight	18 468	-	-	2 189	-	-	-	2 189	20 657
Maritime Administration Support	6 654	-	-	(1 500)	-	-	-	(1 500)	5 154
<b>Total</b>	<b>110 589</b>	-	-	-	-	-	-	-	<b>110 589</b>

**Programme 6: Maritime Transport (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>91 774</b>	-	-	-	-	-	-	-	<b>91 774</b>
Compensation of employees	22 123	-	-	-	-	-	-	-	22 123
Goods and services	69 651	-	-	-	-	-	-	-	69 651
<b>Transfers and subsidies</b>	<b>18 468</b>	-	-	-	-	-	-	-	<b>18 468</b>
Departmental agencies and accounts	16 852	-	-	-	-	-	-	-	16 852
Foreign governments and international organisations	1 616	-	-	-	-	-	-	-	1 616
<b>Payments for capital assets</b>	<b>347</b>	-	-	-	-	-	-	-	<b>347</b>
Machinery and equipment	347	-	-	-	-	-	-	-	347
<b>Total</b>	<b>110 589</b>	-	-	-	-	-	-	-	<b>110 589</b>

**Programme 7: Public Transport**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Public Transport Regulation	22 865	-	-	(2 000)	-	-	-	(2 000)	20 865
Rural and Scholar Transport	13 118	-	-	-	-	-	-	-	13 118
Public Transport Industry Development	122 454	-	-	(1 000)	-	-	-	(1 000)	121 454
Public Transport Oversight	11 145 566	-	-	-	-	-	-	-	11 145 566
Public Transport Administration Support	7 755	-	-	3 000	-	-	-	3 000	10 755
Public Transport Network Development	12 013	-	-	-	-	-	-	-	12 013
<b>Total</b>	<b>11 323 771</b>	-	-	-	-	-	-	-	<b>11 323 771</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>178 029</b>	-	-	-	-	-	-	-	<b>178 029</b>
Compensation of employees	41 641	-	-	-	-	-	-	-	41 641
Goods and services	136 388	-	-	-	-	-	-	-	136 388
<b>Transfers and subsidies</b>	<b>11 145 566</b>	-	-	-	-	-	-	-	<b>11 145 566</b>
Provinces and municipalities	10 703 555	-	-	-	-	-	-	-	10 703 555
Non-profit institutions	18 407	-	-	-	-	-	-	-	18 407
Households	423 604	-	-	-	-	-	-	-	423 604
<b>Payments for capital assets</b>	<b>176</b>	-	-	-	-	-	-	-	<b>176</b>
Machinery and equipment	176	-	-	-	-	-	-	-	176
<b>Total</b>	<b>11 323 771</b>	-	-	-	-	-	-	-	<b>11 323 771</b>

**Details of adjustments to the Estimates of National Expenditure 2014****Unforeseeable and unavoidable expenditure – R44.151 million**

Programme: 1 Administration

R42.020 million has been allocated for general transport services rendered at the funeral of former President Nelson Mandela.

Programme: 5 Civil Aviation

R2.131 million has been allocated for ground handling support equipment provided at Mthatha Airport for the funeral of former President Nelson Mandela.

## Virements and shifts

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>			<b>Programme 1</b>		
Goods and services	Reallocation of funds from various goods and services items	(4 616) (3 696)	Machinery and equipment	Upgrading of equipment as part of the renovation of office accommodation	3 696
	Reallocation of funds from various goods and services items <sup>1</sup>	(920)	Departmental agencies and accounts	Transfer payment to the Transport Sector Education and Training Authority and the Public Service Sector Education and Training Authority <sup>1</sup>	920
Shifts within the programme as a percentage of the programme budget		1.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>			<b>Programme 3</b>		
Compensation of employees	Vacant posts	(500) (500)	Machinery and equipment	Upgrading of equipment as part of the renovation of office accommodation	500 500
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>			<b>Programme 5</b>		
Goods and services	Reallocation of funds from various goods and services items <sup>1</sup>	(702) (702)	Non-profit institutions	Transfer payment to the National Sea Rescue Institute <sup>1</sup>	702 702
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(5 818)</b>	<b>5 818</b>		

1. National Treasury approval has been obtained.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - adjusted appropriation	Apr 13 - Mar 14	Apr 13 - adjusted appropriation	Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 14 - Sep 14	Apr 14 - adjusted appropriation	
R thousand			% of		% of				% of	
Administration	362 434	136 339	37.6	315 578	87.1	424 880	0.9	179 224	42.2	
Integrated Transport Planning	79 050	32 769	41.5	66 373	84.0	81 184	0.2	29 117	35.9	
Rail Transport	11 239 848	4 657 604	41.4	11 232 840	99.9	15 034 556	30.8	10 239 651	68.1	
Road Transport	19 580 467	10 070 114	51.4	20 665 564	105.5	21 645 287	44.4	11 181 452	51.7	
Civil Aviation	243 250	49 884	20.5	148 602	61.1	150 402	0.3	69 150	46.0	
Maritime Transport	104 365	44 319	42.5	102 271	98.0	110 589	0.2	43 286	39.1	
Public Transport	10 792 253	3 706 088	34.3	10 505 616	97.3	11 323 771	23.2	4 196 543	37.1	
<b>Total</b>	<b>42 401 667</b>	<b>18 697 117</b>	<b>44.1</b>	<b>43 036 844</b>	<b>101.5</b>	<b>48 770 669</b>	<b>100.0</b>	<b>25 938 423</b>	<b>53.2</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>1 047 634</b>	<b>377 217</b>	<b>36.0</b>	<b>1 996 526</b>	<b>190.6</b>	<b>1 006 451</b>	<b>2.1</b>	<b>577 096</b>	<b>57.3</b>	
Compensation of employees	344 210	147 303	42.8	304 359	88.4	382 881	0.8	164 068	42.9	
Goods and services	703 424	229 914	32.7	1 692 167	240.6	623 570	1.3	413 028	66.2	
<b>Transfers and subsidies</b>	<b>41 347 034</b>	<b>18 314 706</b>	<b>44.3</b>	<b>41 020 379</b>	<b>99.2</b>	<b>47 755 816</b>	<b>97.9</b>	<b>25 358 589</b>	<b>53.1</b>	
Provinces and municipalities	18 892 482	8 194 779	43.4	18 892 485	100.0	20 140 276	41.3	8 994 219	44.7	
Departmental agencies and accounts	10 782 817	5 414 748	50.2	10 700 044	99.2	12 203 888	25.0	6 035 289	49.5	
Higher education institutions	10 179	1 922	18.9	10 179	100.0	10 790	0.0	2 376	22.0	



R thousand	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
Foreign governments and international organisations	9 525	7 658	80.4	7 900	82.9	10 082	0.0	8 287	82.2
Public corporations and private enterprises	11 159 113	4 600 829	41.2	11 159 113	100.0	14 946 300	30.6	10 174 967	68.1
Non-profit institutions	18 807	3 646	19.4	18 880	100.4	20 715	0.0	9 606	46.4
Households	474 111	91 124	19.2	231 778	48.9	423 765	0.9	133 845	31.6
<b>Payments for capital assets</b>	<b>6 999</b>	<b>5 191</b>	<b>74.2</b>	<b>19 859</b>	<b>283.7</b>	<b>8 402</b>	<b>0.0</b>	<b>2 635</b>	<b>31.4</b>
Buildings and other fixed structures	–	–	0.0	8 197	0.0	–	0.0	–	0.0
Machinery and equipment	6 999	5 191	74.2	11 662	166.6	8 402	0.0	2 635	31.4
<b>Payments for financial assets</b>	<b>–</b>	<b>3</b>	<b>0.0</b>	<b>80</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>103</b>	<b>0.0</b>
<b>Total</b>	<b>42 401 667</b>	<b>18 697 117</b>	<b>44.1</b>	<b>43 036 844</b>	<b>101.5</b>	<b>48 770 669</b>	<b>100.0</b>	<b>25 938 423</b>	<b>53.2</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 101.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R25.938 billion, or 53.2 per cent of the adjusted appropriation of R48.771 billion for the year. In comparison, mid-year expenditure in 2013/14 was R18.697 billion, or 44.1 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R7.241 billion, or 38.7 per cent. This was mainly due to the transfer payment to the Passenger Rail Agency of South Africa for the rolling stock fleet renewal programme and transfers to provinces for the provincial roads maintenance grant.

### Departmental receipts

R thousand	2013/14 Audited outcome					2014/15 Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>327 154</b>	<b>76 722</b>	<b>23.5</b>	<b>746 967</b>	<b>228.3</b>	<b>268 766</b>	<b>233 479</b>	<b>100.0</b>	<b>224 939</b>	<b>96.3</b>
Sales of goods and services produced by department	245 509	203	0.1	446	0.2	260 544	639	0.0	318	49.8
Sales of scrap, waste, arms and other used current goods	2	2	100.0	3	150.0	2	2	0.0	1	50.0
Fines, penalties and forfeits	60	–	0.0	–	0.0	70	70	0.0	–	0.0
Interest, dividends and rent on land	74 083	73 983	99.9	74 007	99.9	150	150	0.0	2	1.3
Transactions in financial assets and liabilities	7 500	2 534	33.8	672 511	8 966.8	8 000	232 618	100.0	224 618	96.6
<b>Total</b>	<b>327 154</b>	<b>76 722</b>	<b>23.5</b>	<b>746 967</b>	<b>228.3</b>	<b>268 766</b>	<b>233 479</b>	<b>100.0</b>	<b>224 939</b>	<b>96.3</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R224.939 million, or 96.3 per cent of the adjusted revenue estimate of R233.479 million for the year. In comparison, mid-year revenue in 2013/14 was R76.722 million, or 23.5 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R148.217 million or 193.2 per cent. This

was mainly due to the increase on other receipts due to dividends received from the Airports Company South Africa, which had been incorrectly allocated to other receipts.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>231</b>	-	-	<b>920</b>	-	-	-	<b>920</b>	<b>1 151</b>
Transport Education and Training Authority	231	-	-	747	-	-	-	747	978
Public Sector Education and Training Authority	-	-	-	173	-	-	-	173	173
<b>Rail Transport</b>									
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Capital</b>	<b>11 058 958</b>	-	-	-	-	-	-	-	<b>11 058 958</b>
Passenger Rail Agency of South Africa	11 058 958	-	-	(5 699 959)	-	-	-	(5 699 959)	5 358 999
Passenger Rail Agency of South Africa (rolling stock fleet renewal programme)	-	-	-	5 699 959	-	-	-	5 699 959	5 699 959
<b>Civil Aviation</b>									
<b>Non-profit institutions</b>									
<b>Current</b>	<b>1 298</b>	-	-	<b>702</b>	-	-	-	<b>702</b>	<b>2 000</b>
National Sea Rescue Institute	1 298	-	-	702	-	-	-	702	2 000

## Water Affairs

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>12 480 332</b>	-	(12 480 332)	-
<b>of which:</b>				
Current payments	2 969 667	-	(2 969 667)	-
Transfers and subsidies	4 513 876	-	(4 513 876)	-
Payments for capital assets	4 996 789	-	(4 996 789)	-
Executive authority	Minister of Water and Environmental Affairs			
Accounting officer	Acting Director-General of Water Affairs			
Website address	www.dwa.gov.za			

### Aim

*Ensure the availability and supply of water at national level, facilitate equitable and sustainable social and economic development, and ensure the universal and efficient supply of water services at local level.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the Department of Water Affairs will cease to exist. All the functions move to the new Department of Water and Sanitation.

### Adjusted Estimates of National Expenditure 2014

Programme	2014/15							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	1 026 430	-	-	-	(1 026 430)	-	-	(1 026 430)
Water Sector Management	597 808	-	-	-	(597 808)	-	-	(597 808)
Water Infrastructure Management	2 919 422	-	-	-	(2 919 422)	-	-	(2 919 422)
Regional Implementation and Support	7 782 702	-	-	-	(7 782 702)	-	-	(7 782 702)
Water Sector Regulation	121 514	-	-	-	(121 514)	-	-	(121 514)
International Water Cooperation	32 456	-	-	-	(32 456)	-	-	(32 456)
<b>Total</b>	<b>12 480 332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12 480 332)</b>	<b>-</b>	<b>-</b>	<b>(12 480 332)</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 969 667</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 969 667)</b>	<b>-</b>	<b>-</b>	<b>(2 969 667)</b>
Compensation of employees	1 362 942	-	-	-	(1 362 942)	-	-	(1 362 942)
Goods and services	1 606 585	-	-	-	(1 606 585)	-	-	(1 606 585)
Interest and rent on land	140	-	-	-	(140)	-	-	(140)
<b>Transfers and subsidies</b>	<b>4 513 876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 513 876)</b>	<b>-</b>	<b>-</b>	<b>(4 513 876)</b>
Provinces and municipalities	984 248	-	-	-	(984 248)	-	-	(984 248)
Departmental agencies and accounts	2 737 823	-	-	-	(2 737 823)	-	-	(2 737 823)
Foreign governments and international organisations	185 186	-	-	-	(185 186)	-	-	(185 186)
Public corporations and private enterprises	580 000	-	-	-	(580 000)	-	-	(580 000)
Non-profit institutions	1 511	-	-	-	(1 511)	-	-	(1 511)
Households	25 108	-	-	-	(25 108)	-	-	(25 108)

2014 Adjusted Estimates of National Expenditure

	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand									
<b>Payments for capital assets</b>	<b>4 996 789</b>	-	-	-	<b>(4 996 789)</b>	-	-	<b>(4 996 789)</b>	-
Buildings and other fixed structures	4 909 461	-	-	-	(4 909 461)	-	-	(4 909 461)	-
Machinery and equipment	81 170	-	-	-	(81 170)	-	-	(81 170)	-
Software and other intangible assets	6 158	-	-	-	(6 158)	-	-	(6 158)	-
<b>Total</b>	<b>12 480 332</b>	-	-	-	<b>(12 480 332)</b>	-	-	<b>(12 480 332)</b>	-

**Programme 1: Administration**

Subprogramme	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shift	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand									
Ministry	49 493	-	-	-	(49 493)	-	-	(49 493)	-
Departmental Management	53 094	-	-	-	(53 094)	-	-	(53 094)	-
Internal Audit	26 439	-	-	-	(26 439)	-	-	(26 439)	-
Corporate Services	431 502	-	-	-	(431 502)	-	-	(431 502)	-
Financial Management	154 127	-	-	-	(154 127)	-	-	(154 127)	-
Office Accommodation	311 775	-	-	-	(311 775)	-	-	(311 775)	-
<b>Total</b>	<b>1 026 430</b>	-	-	-	<b>(1 026 430)</b>	-	-	<b>(1 026 430)</b>	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>987 929</b>	-	-	-	<b>(987 929)</b>	-	-	<b>(987 929)</b>	-
Compensation of employees	362 447	-	-	-	(362 447)	-	-	(362 447)	-
Goods and services	625 482	-	-	-	(625 482)	-	-	(625 482)	-
<b>Transfers and subsidies</b>	<b>17 238</b>	-	-	-	<b>(17 238)</b>	-	-	<b>(17 238)</b>	-
Departmental agencies and accounts	2 645	-	-	-	(2 645)	-	-	(2 645)	-
Non-profit institutions	900	-	-	-	(900)	-	-	(900)	-
Households	13 693	-	-	-	(13 693)	-	-	(13 693)	-
<b>Payments for capital assets</b>	<b>21 263</b>	-	-	-	<b>(21 263)</b>	-	-	<b>(21 263)</b>	-
Machinery and equipment	17 467	-	-	-	(17 467)	-	-	(17 467)	-
Software and other intangible assets	3 796	-	-	-	(3 796)	-	-	(3 796)	-
<b>Total</b>	<b>1 026 430</b>	-	-	-	<b>(1 026 430)</b>	-	-	<b>(1 026 430)</b>	-

**Programme 2: Water Sector Management**

Subprogramme	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
R thousand									
Policy and Planning Management and Support	6 344	-	-	-	(6 344)	-	-	(6 344)	-
Integrated Planning	159 049	-	-	-	(159 049)	-	-	(159 049)	-
Policy and Strategy	21 488	-	-	-	(21 488)	-	-	(21 488)	-
Water Services and Local Water Management	68 639	-	-	-	(68 639)	-	-	(68 639)	-
Water Ecosystem	65 308	-	-	-	(65 308)	-	-	(65 308)	-
Water Information Management	222 304	-	-	-	(222 304)	-	-	(222 304)	-
Institutional Oversight	50 986	-	-	-	(50 986)	-	-	(50 986)	-
Water Use Authorisation and Enabling	3 690	-	-	-	(3 690)	-	-	(3 690)	-
<b>Total</b>	<b>597 808</b>	-	-	-	<b>(597 808)</b>	-	-	<b>(597 808)</b>	-

**Programme 2: Water Sector Management (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	<b>552 544</b>	–	–	–	(552 544)	–	–	(552 544)	–
Compensation of employees	238 526	–	–	–	(238 526)	–	–	(238 526)	–
Goods and services	314 018	–	–	–	(314 018)	–	–	(314 018)	–
<b>Transfers and subsidies</b>	<b>26</b>	–	–	–	(26)	–	–	(26)	–
Provinces and municipalities	3	–	–	–	(3)	–	–	(3)	–
Non-profit institutions	23	–	–	–	(23)	–	–	(23)	–
<b>Payments for capital assets</b>	<b>45 238</b>	–	–	–	(45 238)	–	–	(45 238)	–
Buildings and other fixed structures	28 500	–	–	–	(28 500)	–	–	(28 500)	–
Machinery and equipment	16 240	–	–	–	(16 240)	–	–	(16 240)	–
Software and other intangible assets	498	–	–	–	(498)	–	–	(498)	–
<b>Total</b>	<b>597 808</b>	–	–	–	(597 808)	–	–	(597 808)	–

**Programme 3: Water Infrastructure Management**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Infrastructure Development and Rehabilitation	2 755 177	–	–	–	(2 755 177)	–	–	(2 755 177)	–
Operation of Water Resources	164 245	–	–	–	(164 245)	–	–	(164 245)	–
<b>Total</b>	<b>2 919 422</b>	–	–	–	(2 919 422)	–	–	(2 919 422)	–
<b>Economic classification</b>	<b>2 919 422</b>	–	–	–	(2 919 422)	–	–	(2 919 422)	–
Transfers and subsidies	2 919 422	–	–	–	(2 919 422)	–	–	(2 919 422)	–
Departmental agencies and accounts	2 735 154	–	–	–	(2 735 154)	–	–	(2 735 154)	–
Foreign governments and international organisations	184 268	–	–	–	(184 268)	–	–	(184 268)	–
<b>Total</b>	<b>2 919 422</b>	–	–	–	(2 919 422)	–	–	(2 919 422)	–

**Programme 4: Regional Implementation and Support**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Regional Management and Support	8 526	–	–	–	(8 526)	–	–	(8 526)	–
Water Sector Support	1 513 038	–	–	–	(1 513 038)	–	–	(1 513 038)	–
Water Use Regulation	342 240	–	–	–	(342 240)	–	–	(342 240)	–
Institutional Establishment	58 621	–	–	–	(58 621)	–	–	(58 621)	–
Regional Bulk	4 656 012	–	–	–	(4 656 012)	–	–	(4 656 012)	–
Transfer of Water Schemes	612 864	–	–	–	(612 864)	–	–	(612 864)	–
Support Services	379 432	–	–	–	(379 432)	–	–	(379 432)	–
Water Services Projects	202 233	–	–	–	(202 233)	–	–	(202 233)	–
Integrated Catchment Management	8 736	–	–	–	(8 736)	–	–	(8 736)	–
Water Use Authorisation and Administration	1 000	–	–	–	(1 000)	–	–	(1 000)	–
<b>Total</b>	<b>7 782 702</b>	–	–	–	(7 782 702)	–	–	(7 782 702)	–

**Programme 4: Regional Implementation and Support (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>1 278 064</b>	-	-	-	<b>(1 278 064)</b>	-	-	<b>(1 278 064)</b>	-
Compensation of employees	661 581	-	-	-	(661 581)	-	-	(661 581)	-
Goods and services	616 483	-	-	-	(616 483)	-	-	(616 483)	-
<b>Transfers and subsidies</b>	<b>1 576 269</b>	-	-	-	<b>(1 576 269)</b>	-	-	<b>(1 576 269)</b>	-
Provinces and municipalities	984 245	-	-	-	(984 245)	-	-	(984 245)	-
Departmental agencies and accounts	21	-	-	-	(21)	-	-	(21)	-
Public corporations and private enterprises	580 000	-	-	-	(580 000)	-	-	(580 000)	-
Non-profit institutions	588	-	-	-	(588)	-	-	(588)	-
Households	11 415	-	-	-	(11 415)	-	-	(11 415)	-
<b>Payments for capital assets</b>	<b>4 928 369</b>	-	-	-	<b>(4 928 369)</b>	-	-	<b>(4 928 369)</b>	-
Buildings and other fixed structures	4 880 661	-	-	-	(4 880 661)	-	-	(4 880 661)	-
Machinery and equipment	45 844	-	-	-	(45 844)	-	-	(45 844)	-
Software and other intangible assets	1 864	-	-	-	(1 864)	-	-	(1 864)	-
<b>Total</b>	<b>7 782 702</b>	-	-	-	<b>(7 782 702)</b>	-	-	<b>(7 782 702)</b>	-

**Programme 5: Water Sector Regulation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Regulation Management and Support	6 952	-	-	-	(6 952)	-	-	(6 952)	-
Economic and Social Regulation	6 140	-	-	-	(6 140)	-	-	(6 140)	-
Water Use Authorisation	14 670	-	-	-	(14 670)	-	-	(14 670)	-
Water Supply Services and Sanitation Regulations	23 905	-	-	-	(23 905)	-	-	(23 905)	-
Water Resource Regulation	33 757	-	-	-	(33 757)	-	-	(33 757)	-
Compliance Monitoring	19 393	-	-	-	(19 393)	-	-	(19 393)	-
Enforcement	16 697	-	-	-	(16 697)	-	-	(16 697)	-
<b>Total</b>	<b>121 514</b>	-	-	-	<b>(121 514)</b>	-	-	<b>(121 514)</b>	-
<b>Economic classification</b>									
<b>Current payments</b>	<b>120 418</b>	-	-	-	<b>(120 418)</b>	-	-	<b>(120 418)</b>	-
Compensation of employees	77 634	-	-	-	(77 634)	-	-	(77 634)	-
Goods and services	42 708	-	-	-	(42 708)	-	-	(42 708)	-
Interest and rent on land	76	-	-	-	(76)	-	-	(76)	-
<b>Payments for capital assets</b>	<b>1 096</b>	-	-	-	<b>(1 096)</b>	-	-	<b>(1 096)</b>	-
Buildings and other fixed structures	300	-	-	-	(300)	-	-	(300)	-
Machinery and equipment	796	-	-	-	(796)	-	-	(796)	-
<b>Total</b>	<b>121 514</b>	-	-	-	<b>(121 514)</b>	-	-	<b>(121 514)</b>	-

**Programme 6: International Water Cooperation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
International Relation Management and Support	8 165	-	-	-	(8 165)	-	-	(8 165)	-
Africa Cooperation	11 457	-	-	-	(11 457)	-	-	(11 457)	-
Global Cooperation	12 834	-	-	-	(12 834)	-	-	(12 834)	-
<b>Total</b>	<b>32 456</b>	-	-	-	<b>(32 456)</b>	-	-	<b>(32 456)</b>	-

**Programme 6: International Water Cooperation (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Declared unspent funds	Other adjustments	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts				
<b>Current payments</b>	<b>30 712</b>	-	-	-	<b>(30 712)</b>	-	-	<b>(30 712)</b>	-
Compensation of employees	22 754	-	-	-	(22 754)	-	-	(22 754)	-
Goods and services	7 894	-	-	-	(7 894)	-	-	(7 894)	-
Interest and rent on land	64	-	-	-	(64)	-	-	(64)	-
<b>Transfers and subsidies</b>	<b>921</b>	-	-	-	<b>(921)</b>	-	-	<b>(921)</b>	-
Departmental agencies and accounts	3	-	-	-	(3)	-	-	(3)	-
Foreign governments and international organisations	918	-	-	-	(918)	-	-	(918)	-
<b>Payments for capital assets</b>	<b>823</b>	-	-	-	<b>(823)</b>	-	-	<b>(823)</b>	-
Machinery and equipment	823	-	-	-	(823)	-	-	(823)	-
<b>Total</b>	<b>32 456</b>	-	-	-	<b>(32 456)</b>	-	-	<b>(32 456)</b>	-

**Details of adjustments to the Estimates of National Expenditure 2014****Funds shifted between votes following the transfer of a function – R12.480 billion**

In accordance with the national macro organisation of the state, funds for the following functions have been transferred to the Department of Water and Sanitation:

Programme 1: Administration

R1.026 billion

Programme 2: Water Sector Management

R597.808 million

Programme 3: Water Infrastructure Management

R2.919 billion

Programme 4: Regional Implementation and Support

R7.783 billion

Programme 5: Water Sector Regulation

R121.514 million

Programme 6: International Water Cooperation

R32.456 million

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	2 645	-	-	-	(2 645)	-	-	(2 645)	-
Energy Sector Education and Training Authority	2 641	-	-	-	(2 641)	-	-	(2 641)	-
Communication	4	-	-	-	(4)	-	-	(4)	-
<b>Non-profit institutions</b>									
<b>Current</b>	900	-	-	-	(900)	-	-	(900)	-
Women in Water awards	900	-	-	-	(900)	-	-	(900)	-
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	400	-	-	-	(400)	-	-	(400)	-
Employee social benefits	400	-	-	-	(400)	-	-	(400)	-
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	13 293	-	-	-	(13 293)	-	-	(13 293)	-
Bursaries for non-employees	13 293	-	-	-	(13 293)	-	-	(13 293)	-
<b>Water Sector</b>									
<b>Management</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	3	-	-	-	(3)	-	-	(3)	-
Vehicle licences	3	-	-	-	(3)	-	-	(3)	-
<b>Non-profit institutions</b>									
<b>Current</b>	23	-	-	-	(23)	-	-	(23)	-
South African youth water prizes	23	-	-	-	(23)	-	-	(23)	-
<b>Water Infrastructure</b>									
<b>Management</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	164 245	-	-	-	(164 245)	-	-	(164 245)	-
Water trading entity	164 245	-	-	-	(164 245)	-	-	(164 245)	-
<b>Capital</b>	2 570 909	-	-	-	(2 570 909)	-	-	(2 570 909)	-
Water trading entity	2 570 909	-	-	-	(2 570 909)	-	-	(2 570 909)	-
<b>Foreign governments and international organisations</b>									
<b>Current</b>	184 268	-	-	-	(184 268)	-	-	(184 268)	-
Komati River Basin Water Authority	184 268	-	-	-	(184 268)	-	-	(184 268)	-
<b>Regional Implementation and Support</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	537	-	-	-	(537)	-	-	(537)	-
Vehicle licences	138	-	-	-	(138)	-	-	(138)	-
Women in Water awards	399	-	-	-	(399)	-	-	(399)	-
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	21	-	-	-	(21)	-	-	(21)	-
Communication	21	-	-	-	(21)	-	-	(21)	-



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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	<b>580 000</b>	-	-	-	<b>(580 000)</b>	-	-	<b>(580 000)</b>	-
Amatola Water Board: Regional bulk infrastructure	150 000	-	-	-	(150 000)	-	-	(150 000)	-
Magalies Water Board: Regional bulk infrastructure	70 000	-	-	-	(70 000)	-	-	(70 000)	-
Umgeni Water Board: Regional bulk infrastructure	216 800	-	-	-	(216 800)	-	-	(216 800)	-
Sedibeng Water Board: Regional bulk infrastructure	143 200	-	-	-	(143 200)	-	-	(143 200)	-
<b>Non-profit institutions</b>									
<b>Current</b>	<b>588</b>	-	-	-	<b>(588)</b>	-	-	<b>(588)</b>	-
Baswa le Meetse and South African youth water prizes	588	-	-	-	(588)	-	-	(588)	-
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	<b>1 000</b>	-	-	-	<b>(1 000)</b>	-	-	<b>(1 000)</b>	-
Water services operating subsidy: Indirect grant	1 000	-	-	-	(1 000)	-	-	(1 000)	-
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	<b>10 415</b>	-	-	-	<b>(10 415)</b>	-	-	<b>(10 415)</b>	-
Poor farmers	10 415	-	-	-	(10 415)	-	-	(10 415)	-
<b>International Water Cooperation</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>3</b>	-	-	-	<b>(3)</b>	-	-	<b>(3)</b>	-
Communication	3	-	-	-	(3)	-	-	(3)	-
<b>Foreign governments and international organisations</b>									
<b>Current</b>	<b>918</b>	-	-	-	<b>(918)</b>	-	-	<b>(918)</b>	-
Orange-Senqu River Basin Commission	556	-	-	-	(556)	-	-	(556)	-
African Ministers' Council on Water	98	-	-	-	(98)	-	-	(98)	-
Limpopo River Basin Commission	264	-	-	-	(264)	-	-	(264)	-

## Summary of changes to conditional grants: Local government

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Regional Implementation and Support</b>	<b>983 708</b>	-	-	-	<b>(983 708)</b>	-	-	<b>(983 708)</b>	-
Water services operating subsidy grant	449 558	-	-	-	(449 558)	-	-	(449 558)	-
Municipal water infrastructure grant	534 150	-	-	-	(534 150)	-	-	(534 150)	-



# Vote 39

## Planning, Monitoring and Evaluation

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	-	733 842	-	733 842
<b>of which:</b>				
Current payments	-	315 082	-	315 082
Transfers and subsidies	-	410 195	-	410 195
Payments for capital assets	-	8 565	-	8 565
Executive authority	Minister in the Presidency: Planning, Monitoring and Evaluation			
Accounting officer	Director General of Planning, Monitoring and Evaluation			
Website address	<a href="http://www.thepresidency-dpme.gov.za">www.thepresidency-dpme.gov.za</a>			

### Aim

*Improve government service delivery through planning, monitoring and evaluation.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the Department of Planning, Monitoring and Evaluation will perform all the functions of the previous Department of Performance Monitoring and Evaluation as well as the Youth Desk, National Youth Development Agency and the National Planning Commission functions transferred from The Presidency.

### Programme names, purposes, and objectives

#### Programme 1: Administration

**Purpose:** Provide the strategic management and administrative support to the accounting officer and the department.

**Objective:** Advance government strategic priorities by embedding the outcomes approach, monitoring and evaluating the implementation of strategic priorities, as well as increasing the accountability and transparency of government's commitment to the 14 priority outcomes on an ongoing basis.

#### Programme 2: Outcomes Monitoring and Evaluation

**Purpose:** Advance the strategic agenda of government by developing and implementing the outcomes approach, monitoring and reporting on its progress, and evaluating its impact.

**Objective:** Advance the strategic priorities of government by developing and implementing the outcomes system, monitoring and reporting on its progress, and evaluating its impact.

#### Programme 3: Institutional Performance Monitoring and Evaluation

**Purpose:** Promote good monitoring and evaluation practices and processes in government through: management performance assessment and support; frontline service delivery monitoring and support; and monitoring and evaluation capacity development and learning.

**Objective:** Implement national and provincial institutional performance assessments in collaboration with other government departments.

**Programme 4: National Planning**

**Purpose:** Develop the country’s long term vision and national strategic plan and contribute towards better outcomes in government through better planning, better long term plans, greater policy coherence and clear articulation of long term goals and aspirations.

**Objective:** Improve long term planning and development to ensure the achievement of Vision 2030; advise and support government on the implementation of the national development plan annually; and monitor the level of human development and poverty transitions by conducting a longitudinal study on national income dynamics every two years.

**Programme 5: National Youth Development Agency**

**Purpose:** Facilitate the transfer of funds to the National Development Youth Agency to allow the agency to initiate, implement, facilitate and monitor youth development interventions aimed at reducing youth unemployment and promoting social cohesion.

**Objective:** Champion the development and implementation of the youth development policy in government and oversee the work of the National Youth Development Agency by analysing its strategic and annual plans and quarterly reports on an ongoing basis.

**Mid-year performance status**

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of signed and reviewed delivery agreements per year	Outcomes Monitoring and Evaluation	All outcomes	14	In progress	–
Number of quarterly progress reports on monitoring and evaluation of strategic priorities per year	Outcomes Monitoring and Evaluation		56	0	–
Number of evaluation reports per year	Outcomes Monitoring and Evaluation		13	0	–
Number of operational data forums per year for each of the outcomes to support data driven and evidence based monitoring and reporting	Outcomes monitoring and Evaluation		10	15	–
Number of institutional performance assessments carried out and reports issued per year	Institutional Performance Monitoring and Evaluation		43 national and 124 provincial departments	In progress <sup>1</sup>	–
Number of service delivery monitoring visits conducted at national, provincial and local government level and reports issued per year	Institutional Performance Monitoring and Evaluation		90 new sites monitored and 120 sites revisited	89 new sites monitored and 0 sites revisited	–
Implementation of Vision 2030 and national development plan	National Planning		Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	2 national development plan pilot projects implemented	In progress
Number of sector research reports, and reports on major and cross-cutting macro-social implications developed per year	National Planning		8	5	–
Number of households surveyed on income, consumption and expenditure in the national income dynamics study	National Planning		12 500	In progress	–

1. The management performance assessment tool cycle ends in November 2014.

**Mid-year progress**

Quarterly progress reports will no longer be included as an indicator due to the revisions on the medium term strategic framework and the delivery agreements. The department is experiencing delays in some of the evaluations due to co-funding arrangements with policy departments.

15 operational data forums for outcomes to support data driven and evidence based monitoring and reporting had been held between the first and second quarter of 2014/15, exceeding the annual target of 10. This is largely due to the incorporation of 2 additional outcomes and a refocus on reporting. The number of forums is expected to reach 31 by the end of March 2015. In the first six months of 2014/15, the Department of Planning, Monitoring and Evaluation conducted 89 new site visits as part of the service delivery monitoring initiative. The department plans to revisit 120 sites in the third quarter of 2014/15.

Another significant achievement in the second quarter of 2014/15 was the finalisation of the 2014-2019 medium term strategic framework. Performance agreements or delivery agreements between the president and ministers will be finalised in the third quarter of 2014/15.

The National Planning Commission is involved in the implementation of the 4 pilot projects focused on testing proposals made in the national development plan. These include: the piloting of Operation Phakisa in the environmental sector to unlock the economic potential of the ocean economy; the National Education Collaboration Trust, a partnership between the Department of Basic Education and civil society on educational reforms; the Mpumalanga land reform project; and the implementation of the integrated urban development framework that is to be led by the Department of Cooperative Governance and National Treasury.

The national income dynamics study is conducted every two years and is currently in its fourth stage of implementation. The fieldwork for the current stage of the study will begin in October 2014.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
Administration	-	-	9 055	67 822	-	-	76 877	76 877	
Outcomes Monitoring and Evaluation	-	-	11 500	78 225	-	-	89 725	89 725	
Institutional Performance Monitoring and Evaluation	-	-	(55)	66 166	-	-	66 111	66 111	
National Planning	-	-	(20 500)	113 392	-	-	92 892	92 892	
National Youth Development Agency	-	-	-	408 237	-	-	408 237	408 237	
<b>Total</b>	-	-	-	<b>733 842</b>	-	-	<b>733 842</b>	<b>733 842</b>	
<b>Economic classification</b>									
<b>Current payments</b>	-	-	(172)	315 254	-	-	315 082	315 082	
Compensation of employees	-	-	(3 926)	160 853	-	-	156 927	156 927	
Goods and services	-	-	3 754	154 401	-	-	158 155	158 155	
<b>Transfers and subsidies</b>	-	-	172	410 023	-	-	410 195	410 195	
Provinces and municipalities	-	-	(4)	4	-	-	-	-	
Departmental agencies and accounts	-	-	-	408 237	-	-	408 237	408 237	
Households	-	-	176	1 782	-	-	1 958	1 958	
<b>Payments for capital assets</b>	-	-	-	8 565	-	-	8 565	8 565	
Machinery and equipment	-	-	-	7 015	-	-	7 015	7 015	
Software and other intangible assets	-	-	-	1 550	-	-	1 550	1 550	
<b>Total</b>	-	-	-	<b>733 842</b>	-	-	<b>733 842</b>	<b>733 842</b>	

### Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
Departmental Management	-	-	-	10 725	-	-	10 725	10 725	
Corporate and Financial Services	-	-	2 500	33 817	-	-	36 317	36 317	
Information Technology Support	-	-	6 555	20 304	-	-	26 859	26 859	
Internal Auditing	-	-	-	2 976	-	-	2 976	2 976	
<b>Total</b>	-	-	<b>9 055</b>	<b>67 822</b>	-	-	<b>76 877</b>	<b>76 877</b>	

**Programme 1: Administration (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	-	-	-	6 980	63 162	-	-	70 142	70 142
Compensation of employees	-	-	-	1 230	35 437	-	-	36 667	36 667
Goods and services	-	-	-	5 750	27 725	-	-	33 475	33 475
<b>Transfers and subsidies</b>	-	-	-	20	-	-	-	20	20
Households	-	-	-	20	-	-	-	20	20
<b>Payments for capital assets</b>	-	-	-	2 055	4 660	-	-	6 715	6 715
Machinery and equipment	-	-	-	2 055	3 910	-	-	5 965	5 965
Software and other intangible assets	-	-	-	-	750	-	-	750	750
<b>Total</b>	-	-	-	9 055	67 822	-	-	76 877	76 877

**Programme 2: Outcomes Monitoring and Evaluation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management for Outcomes Monitoring and Evaluation	-	-	-	-	2 828	-	-	2 828	2 828
Outcomes Support	-	-	-	11 500	50 656	-	-	62 156	62 156
Evaluation and Research	-	-	-	-	24 741	-	-	24 741	24 741
<b>Total</b>	-	-	-	11 500	78 225	-	-	89 725	89 725
<b>Economic classification</b>	-	-	-	11 416	77 660	-	-	89 076	89 076
<b>Current payments</b>	-	-	-	11 416	77 660	-	-	89 076	89 076
Compensation of employees	-	-	-	1 916	53 862	-	-	55 778	55 778
Goods and services	-	-	-	9 500	23 798	-	-	33 298	33 298
<b>Transfers and subsidies</b>	-	-	-	84	-	-	-	84	84
Households	-	-	-	84	-	-	-	84	84
<b>Payments for capital assets</b>	-	-	-	-	565	-	-	565	565
Machinery and equipment	-	-	-	-	165	-	-	165	165
Software and other intangible assets	-	-	-	-	400	-	-	400	400
<b>Total</b>	-	-	-	11 500	78 225	-	-	89 725	89 725

**Programme 3: Institutional Performance Monitoring and Evaluation**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Programme Management for Institutional Performance Monitoring and Evaluation	-	-	-	-	2 413	-	-	2 413	2 413
Management Performance Monitoring and Support	-	-	-	-	19 759	-	-	19 759	19 759
Presidential Frontline Service Delivery	-	-	-	-	36 666	-	-	36 666	36 666
Performance Monitoring and Support	-	-	-	-	-	-	-	-	-
Macro Monitoring and Evaluation Policy and Capacity Building	-	-	-	(55)	7 328	-	-	7 273	7 273
<b>Total</b>	-	-	-	(55)	66 166	-	-	66 111	66 111

**Programme 3: Institutional Performance Monitoring and Evaluation (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	-	-	-	(72)	65 546	-	-	65 474	65 474
Compensation of employees	-	-	-	(72)	43 915	-	-	43 843	43 843
Goods and services	-	-	-	-	21 631	-	-	21 631	21 631
<b>Transfers and subsidies</b>	-	-	-	72	-	-	-	72	72
Households	-	-	-	72	-	-	-	72	72
<b>Payments for capital assets</b>	-	-	-	(55)	620	-	-	565	565
Machinery and equipment	-	-	-	(55)	220	-	-	165	165
Software and other intangible assets	-	-	-	-	400	-	-	400	400
<b>Total</b>	-	-	-	(55)	66 166	-	-	66 111	66 111

**Programme 4: National Planning**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management for National Planning	-	-	-	(13 000)	47 739	-	-	34 739	34 739
Research and Policy Services	-	-	-	(6 500)	55 577	-	-	49 077	49 077
Communication and Public Participation	-	-	-	(1 000)	10 076	-	-	9 076	9 076
<b>Total</b>	-	-	-	(20 500)	113 392	-	-	92 892	92 892
<b>Economic classification</b>									
<b>Current payments</b>	-	-	-	(18 496)	108 886	-	-	90 390	90 390
Compensation of employees	-	-	-	(7 000)	27 639	-	-	20 639	20 639
Goods and services	-	-	-	(11 496)	81 247	-	-	69 751	69 751
<b>Transfers and subsidies</b>	-	-	-	(4)	1 786	-	-	1 782	1 782
Provinces and municipalities	-	-	-	(4)	4	-	-	-	-
Households	-	-	-	-	1 782	-	-	1 782	1 782
<b>Payments for capital assets</b>	-	-	-	(2 000)	2 720	-	-	720	720
Machinery and equipment	-	-	-	(2 000)	2 720	-	-	720	720
<b>Total</b>	-	-	-	(20 500)	113 392	-	-	92 892	92 892

**Programme 5: National Youth Development Agency**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
National Youth Development Agency	-	-	-	-	408 237	-	-	408 237	408 237
<b>Total</b>	-	-	-	-	408 237	-	-	408 237	408 237
<b>Economic classification</b>									
<b>Transfers and subsidies</b>	-	-	-	-	408 237	-	-	408 237	408 237
Departmental agencies and accounts	-	-	-	-	408 237	-	-	408 237	408 237
<b>Total</b>	-	-	-	-	408 237	-	-	408 237	408 237

## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

Programmes					
1. Administration					
2. Outcomes Monitoring and Evaluation					
3. Institutional Performance Monitoring and Evaluation					
4. National Planning					
5. National Youth Development Agency					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(20)</b>	<b>Programme 1</b>		<b>20</b>
Compensation of employees	Vacant posts	(20)	Households	Leave gratuities	20
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(84)</b>	<b>Programme 2</b>		<b>84</b>
Compensation of employees	Vacant posts	(84)	Households	Leave gratuities	84
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(127)</b>	<b>Programme 3</b>		<b>72</b>
Compensation of employees	Vacant posts	(72)	Households	Leave gratuities	72
Machinery and equipment	Reallocation of funds to correct programme <sup>1</sup>	(55)	<b>Programme 1</b>		<b>55</b>
			Machinery and equipment	Additional IT hardware for expanding structure <sup>1</sup>	55
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(20 504)</b>	<b>Programme 1</b>		<b>5 750</b>
Goods and services	Reallocation of funds to correct programme <sup>1</sup>	(5 750)	Goods and services	Funding and establishment of the socioeconomic impact assessments system, and Operation Phakisa <sup>1</sup>	5 750
			<b>Programme 2</b>		<b>5 750</b>
	Reallocation of funds to correct programme <sup>1</sup>	(5 750)	Goods and services	Funding and establishment of the socioeconomic impact assessments system, and Operation Phakisa <sup>1</sup>	5 750
Compensation of employees	Vacant posts <sup>1</sup>	(1 250)	<b>Programme 1</b>		<b>1 250</b>
			Compensation of employees	Creation of posts to support the transfer of functions <sup>1</sup>	1 250
	Vacant posts <sup>1</sup>	(2 000)	<b>Programme 2</b>		<b>5 750</b>
			Compensation of employees	Funding and establishment of the socioeconomic impact assessments system, and Operation Phakisa <sup>1</sup>	2 000
	Vacant posts <sup>1</sup>	(3 750)	Goods and services	Funding and establishment of the socioeconomic impact assessments system, and Operation Phakisa <sup>1</sup>	3 750
Machinery and equipment	Reallocation of funds to correct programme <sup>1</sup>	(2 000)	<b>Programme 1</b>		<b>2 000</b>
			Machinery and equipment	Additional IT hardware for expanding structure <sup>1</sup>	2 000
Provinces and municipalities	Cost containment measures effected on vehicle licences <sup>1</sup>	(4)	<b>Programme 4</b>		<b>4</b>
			Goods and services	Stationery, printing and office supplies <sup>1</sup>	4
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(20 735)</b>			

1. National Treasury approval has been obtained.

### Funds shifted between votes following the transfer of a function – R733.842 million

R208.164 million has been transferred from the previous Department of Performance Monitoring and Evaluation following the shift of all that department's functions.

#### Programme 1: Administration

R4.049 million has been transferred from The Presidency following the shift of the youth desk policy oversight function.



## Programme 4: National Planning

R113.392 million has been transferred from The Presidency following the shift of the national planning function.

## Programme 5: National Youth Development Agency

R408.237 million has been transferred from The Presidency following the shift of the National Youth Development Agency.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	% of adjusted appropriation	Apr 13 - Mar 14	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	% of adjusted appropriation
R thousand									
Administration	60 764	28 469	46.9	64 645	106.4	76 877	10.5	25 804	33.6
Outcomes Monitoring and Evaluation	71 797	27 517	38.3	68 394	95.3	89 725	12.2	31 037	34.6
Institutional Performance Monitoring and Evaluation	62 270	30 168	48.4	63 077	101.3	66 111	9.0	29 852	45.2
National Planning	77 312	17 257	22.3	57 768	74.7	92 892	12.7	45 665	49.2
National Youth Development Agency	392 710	209 000	53.2	392 710	100.0	408 237	55.6	231 068	56.6
<b>Total</b>	<b>664 853</b>	<b>312 411</b>	<b>47.0</b>	<b>646 594</b>	<b>97.3</b>	<b>733 842</b>	<b>100.0</b>	<b>363 426</b>	<b>49.5</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>262 616</b>	<b>99 657</b>	<b>37.9</b>	<b>240 265</b>	<b>91.5</b>	<b>315 082</b>	<b>42.9</b>	<b>129 142</b>	<b>41.0</b>
Compensation of employees	133 489	61 622	46.2	125 233	93.8	156 927	21.4	71 155	45.3
Goods and services	129 127	38 035	29.5	115 032	89.1	158 155	21.6	57 987	36.7
<b>Transfers and subsidies</b>	<b>392 714</b>	<b>209 095</b>	<b>53.2</b>	<b>392 890</b>	<b>100.0</b>	<b>410 195</b>	<b>55.9</b>	<b>233 026</b>	<b>56.8</b>
Provinces and municipalities	4	–	0.0	1	25.0	–	0.0	–	0.0
Departmental agencies and accounts	392 710	209 000	53.2	392 710	100.0	408 237	55.6	231 068	56.6
Households	–	95	0.0	179	0.0	1 958	0.3	1 958	100.0
<b>Payments for capital assets</b>	<b>9 523</b>	<b>3 659</b>	<b>38.4</b>	<b>13 435</b>	<b>141.1</b>	<b>8 565</b>	<b>1.2</b>	<b>1 258</b>	<b>14.7</b>
Buildings and other fixed structures	390	–	0.0	–	0.0	–	0.0	–	0.0
Machinery and equipment	7 313	3 248	44.4	11 546	157.9	7 015	1.0	1 073	15.3
Software and other intangible assets	1 820	411	22.6	1 889	103.8	1 550	0.2	185	11.9
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>0.0</b>	<b>4</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>	<b>–</b>	<b>0.0</b>
<b>Total</b>	<b>664 853</b>	<b>312 411</b>	<b>47.0</b>	<b>646 594</b>	<b>97.3</b>	<b>733 842</b>	<b>100.0</b>	<b>363 426</b>	<b>49.5</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 97.3 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R363.426 million, or 49.5 per cent of the adjusted appropriation of R733.842 million for the year. In comparison, mid-year expenditure in 2013/14 was R312.411 million, or 47 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 increased by R51.015 million or 16.3 per cent, compared to the first six months of 2013/14. This was mainly due to increased allocations to the National Youth Development Agency and payments for the national income dynamics study being processed in the first half of 2014/15.

## Departmental receipts

R thousand	2013/14					2014/15				
	Adjusted estimate	Audited outcome				Budget estimate	Actual receipts			
		Apr 13 - Sep 13	adjusted estimate	Apr 13 - Mar 14	adjusted estimate		Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	adjusted estimate
<b>Departmental receipts</b>	<b>64</b>	<b>40</b>	<b>62.5</b>	<b>69</b>	<b>107.8</b>	<b>64</b>	<b>92</b>	<b>100.0</b>	<b>40</b>	<b>43.5</b>
Sales of goods and services produced by department	33	16	48.5	46	139.4	37	48	52.2	24	50.0
Sales of scrap, waste, arms and other used current goods	-	-	0.0	-	0.0	-	-	0.0	-	0.0
Interest, dividends and rent on land	-	-	0.0	1	0.0	-	4	4.3	2	50.0
Sales of capital assets	-	-	0.0	1	0.0	-	-	0.0	-	0.0
Transactions in financial assets and liabilities	31	24	77.4	21	67.7	27	40	43.5	14	35.0
<b>Total</b>	<b>64</b>	<b>40</b>	<b>62.5</b>	<b>69</b>	<b>107.8</b>	<b>64</b>	<b>92</b>	<b>100.0</b>	<b>40</b>	<b>43.5</b>

### Revenue trends for the first half of 2014/15

Departmental revenue collection in the first six months of 2014/15 was R40 000, or 43.5 per cent of the adjusted revenue estimate of R92 000 for the year as a whole. In comparison, mid-year revenue in 2013/14 was R40 000, or 62.5 per cent of the 2013/14 adjusted estimate. Departmental revenue collection in the first six months of 2014/15 remains constant, compared to revenue collected in the first six months of 2013/14.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15							Adjusted appropriation	
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		Total adjustments appropriation
<b>Administration</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	20	-	-	-	20	20
Employee social benefits	-	-	-	20	-	-	-	20	20
<b>Outcomes Monitoring and Evaluation</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	84	-	-	-	84	84
Employee social benefits	-	-	-	84	-	-	-	84	84
<b>Institutional Performance</b>									
<b>Monitoring and Evaluation</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	72	-	-	-	72	72
Employee social benefits	-	-	-	72	-	-	-	72	72
<b>National Planning</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	-	-	-	(4)	4	-	-	-	-
Municipal services	-	-	-	(4)	4	-	-	-	-
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	-	1 782	-	-	1 782	1 782
Employee social benefits	-	-	-	-	1 782	-	-	1 782	1 782
<b>National Youth Development Agency</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	-	408 237	-	-	408 237	408 237
National Youth Development Agency	-	-	-	-	408 237	-	-	408 237	408 237

## Water and Sanitation

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	–	<b>13 647 401</b>	–	<b>13 647 401</b>
<b>of which:</b>				
Current payments	–	3 058 458	–	3 058 458
Transfers and subsidies	–	4 563 949	–	4 563 949
Payments for capital assets	–	6 024 994	–	6 024 994
Executive authority	Minister of Water and Sanitation			
Accounting officer	Acting Director-General of Water and Sanitation			
Website address	www.dwa.gov.za			

### Aim

*Ensure the availability and supply of water at national level, facilitate equitable and sustainable social and economic development, and ensure the universal and efficient supply of water services and sanitation at local level.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the new Department of Water and Sanitation undertakes all the water functions from the previous Department of Water Affairs, and the sanitation functions from the Department of Human Settlements.

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of new reconciliation strategies developed to ensure water security per year	Water Sector Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	3	0	–
Total number of gauging sites monitored	Water Sector Management	Outcome 10: Environmental assets and natural resources that are valued, protected and continually enhanced	500	500	–
Number of additional people provided with access to water per year	Regional Implementation and Support	Outcome 9: A responsive, accountable, effective and efficient local government system	1 million	591 405	–
Number of new bulk infrastructure schemes completed per year	Regional Implementation and Support	Outcome 6: An efficient, competitive and responsive economic infrastructure network	8	4	–
Number of rainwater harvesting tanks installed for access to water and food production per year	Regional Implementation and Support	Outcome 9: A responsive, accountable, effective and efficient local government system	1 790	474	–
Number of additional resource poor farmers supported with access to water per year	Regional Implementation and Support	Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all	744	526	–
Number of municipalities supported to implement water conservation and water demand management per year	Regional Implementation and Support	Outcome 9: A responsive, accountable, effective and efficient local government system	35	33	–
Percentage completion on project Greater Letaba river water resources project: (raising of Tzaneen Dam)	Regional Implementation and Support	Outcome 6: An efficient, competitive and responsive economic infrastructure network	55%	23%	35%

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Total number of wastewater treatment collector systems assessed for compliance with effluent standards	Water Sector Regulation	Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced	1 028	224	-
Total number of water treatment supply systems assessed for compliance with drinking water quality standards	Water Sector Regulation		1 084	63	-
Number of strategic new partnerships established with countries in Africa per year	International Water Cooperation	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	2	0	-
Number of additional households provided with onsite sanitation in rural areas per year	Regional Implementation and Support	Outcome 9: A responsive, accountable, effective and efficient local government system	11 858	6 138	12 569
Number of additional bucket sanitation systems removed from households per year	Regional Implementation and Support		131 092	16 988	88 127

### Changes to indicators and targets published in the 2014 ENE

In an error in the wording of the performance indicator for the percentage of completion on the Greater Letaba river water resources project (the raising of Tzaneen Dam) when the 2014 ENE was compiled, the target of 55 per cent was set instead of 35 per cent. The indicator and the target have been corrected to reflect this, as published in the tabled 2014/15 annual performance plan of the department. The sanitation services function was shifted to the Department of Water and Sanitation from the Department of Human Settlements during the course of the year and the targets have subsequently been revised.

### Mid-year progress

The department had planned to complete 3 reconciliation strategies: Luvuvhu-Letaba, Orange-Senqu River Basin Commission and Richards Bay. As delays were experienced in initiating the Richards Bay reconciliation strategy, only the Luvuvhu-Letaba and Orange-Senqu River Basin Commission will be completed in 2014/15. The Richards Bay strategy will be completed in 2015/16.

The total number of wastewater treatment collector systems assessed for compliance with effluent standards was lower than anticipated, due to limited participation by private institutions.

Through the municipal water infrastructure grant, up to 591 405 additional people were provided with interim / intermediate access to water within the 24 priority district municipalities.

526 resource poor farmers were assisted with various support packages in a number of provinces. 48 beneficiaries in North West were allocated with water, while 54 beneficiaries were provided with water pumps in Mpumalanga. In the Western Cape; 114 beneficiaries were provided with subsidies on water use charges, while in KwaZulu-Natal 306 beneficiaries were supported with bulk water infrastructure and subsidies on water use charges. 474 rainwater harvesting tanks were installed in Mpumalanga, Limpopo, Eastern Cape, Northern Cape, KwaZulu-Natal and in Western Cape. The rainwater harvesting tanks play a functional role of providing access to water and supporting food production, thus alleviating malnourishment within the respective households.

33 municipalities were supported in implementing water conservation and demand management. The success in the implementation of the water conservation programme is due to the department's effective demand management.

Regarding the construction of the Greater Letaba river water resources project, the design and drawings working document and the application for the emergency environmental management plan are being developed. In addition, the acquisition of land and the procurement of mechanical material are also in progress. Work is under way to finalise the establishment of the Sao-Tome and Principe strategic partnership following the feasibility study conducted in July 2014. The draft areas of cooperation to establish the Burundi strategic partnership will be finalised by the end of 2014/15.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
Administration	4 000	-	-	1 026 430	-	-	1 030 430	1 030 430	
Water Sector Management	-	-	-	546 822	-	-	546 822	546 822	
Water Infrastructure Management	-	-	-	2 919 422	-	-	2 919 422	2 919 422	
Regional Implementation and Support	20 021	34 600	-	8 886 489	-	-	8 941 110	8 941 110	
Water Sector Regulation	4 661	-	-	172 500	-	-	177 161	177 161	
International Water Cooperation	-	-	-	32 456	-	-	32 456	32 456	
<b>Total</b>	<b>28 682</b>	<b>34 600</b>	<b>-</b>	<b>13 584 119</b>	<b>-</b>	<b>-</b>	<b>13 647 401</b>	<b>13 647 401</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>4 661</b>	<b>-</b>	<b>(6 721)</b>	<b>3 060 518</b>	<b>-</b>	<b>-</b>	<b>3 058 458</b>	<b>3 058 458</b>	
Compensation of employees	-	-	(13 207)	1 401 239	-	-	1 388 032	1 388 032	
Goods and services	4 661	-	6 486	1 659 139	-	-	1 670 286	1 670 286	
Interest and rent on land	-	-	-	140	-	-	140	140	
<b>Transfers and subsidies</b>	<b>1 458</b>	<b>-</b>	<b>991</b>	<b>4 561 500</b>	<b>-</b>	<b>-</b>	<b>4 563 949</b>	<b>4 563 949</b>	
Provinces and municipalities	1 458	-	377	1 031 872	-	-	1 033 707	1 033 707	
Departmental agencies and accounts	-	-	-	2 737 823	-	-	2 737 823	2 737 823	
Foreign governments and international organisations	-	-	-	185 186	-	-	185 186	185 186	
Public corporations and private enterprises	-	-	-	580 000	-	-	580 000	580 000	
Non-profit institutions	-	-	-	1 511	-	-	1 511	1 511	
Households	-	-	614	25 108	-	-	25 722	25 722	
<b>Payments for capital assets</b>	<b>22 563</b>	<b>34 600</b>	<b>5 730</b>	<b>5 962 101</b>	<b>-</b>	<b>-</b>	<b>6 024 994</b>	<b>6 024 994</b>	
Buildings and other fixed structures	18 563	34 600	-	5 873 838	-	-	5 927 001	5 927 001	
Machinery and equipment	4 000	-	5 730	82 105	-	-	91 835	91 835	
Software and other intangible assets	-	-	-	6 158	-	-	6 158	6 158	
<b>Total</b>	<b>28 682</b>	<b>34 600</b>	<b>-</b>	<b>13 584 119</b>	<b>-</b>	<b>-</b>	<b>13 647 401</b>	<b>13 647 401</b>	

## Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
R thousand	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
Ministry	-	-	-	49 493	-	-	49 493	49 493	
Departmental Management	-	-	(511)	53 094	-	-	52 583	52 583	
Internal Audit	-	-	-	26 439	-	-	26 439	26 439	
Corporate Services	4 000	-	511	431 502	-	-	436 013	436 013	
Financial Management	-	-	-	154 127	-	-	154 127	154 127	
Office Accommodation	-	-	-	311 775	-	-	311 775	311 775	
<b>Total</b>	<b>4 000</b>	<b>-</b>	<b>-</b>	<b>1 026 430</b>	<b>-</b>	<b>-</b>	<b>1 030 430</b>	<b>1 030 430</b>	

**Programme 1: Administration (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	-	-	-	(12)	987 929	-	-	987 917	987 917
Compensation of employees	-	-	-	(12)	362 447	-	-	362 435	362 435
Goods and services	-	-	-	-	625 482	-	-	625 482	625 482
<b>Transfers and subsidies</b>	-	-	-	12	17 238	-	-	17 250	17 250
Departmental agencies and accounts	-	-	-	-	2 645	-	-	2 645	2 645
Non-profit institutions	-	-	-	-	900	-	-	900	900
Households	-	-	-	12	13 693	-	-	13 705	13 705
<b>Payments for capital assets</b>	-	4 000	-	-	21 263	-	-	25 263	25 263
Machinery and equipment	-	4 000	-	-	17 467	-	-	21 467	21 467
Software and other intangible assets	-	-	-	-	3 796	-	-	3 796	3 796
<b>Total</b>	-	4 000	-	-	1 026 430	-	-	1 030 430	1 030 430

**Programme 2: Water Sector Management**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Policy and Planning	-	-	-	-	6 344	-	-	6 344	6 344
Management and Support	-	-	-	(500)	159 049	-	-	158 549	158 549
Integrated Planning	-	-	-	920	21 488	-	-	22 408	22 408
Policy and Strategy	-	-	-	7 580	68 639	-	-	76 219	76 219
Water Services and Local	-	-	-	-	-	-	-	-	-
Water Management	-	-	-	(6 000)	65 308	-	-	59 308	59 308
Water Ecosystem	-	-	-	-	222 304	-	-	222 304	222 304
Water Information Management	-	-	-	(2 000)	3 690	-	-	1 690	1 690
Water Use Authorisation and Enabling	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	546 822	-	-	546 822	546 822
<b>Economic classification</b>									
<b>Current payments</b>	-	-	-	(770)	501 758	-	-	500 988	500 988
Compensation of employees	-	-	-	(845)	219 719	-	-	218 874	218 874
Goods and services	-	-	-	75	282 039	-	-	282 114	282 114
<b>Transfers and subsidies</b>	-	-	-	-	26	-	-	26	26
Provinces and municipalities	-	-	-	-	3	-	-	3	3
Non-profit institutions	-	-	-	-	23	-	-	23	23
<b>Payments for capital assets</b>	-	-	-	770	45 038	-	-	45 808	45 808
Buildings and other fixed structures	-	-	-	-	28 500	-	-	28 500	28 500
Machinery and equipment	-	-	-	770	16 040	-	-	16 810	16 810
Software and other intangible assets	-	-	-	-	498	-	-	498	498
<b>Total</b>	-	-	-	-	546 822	-	-	546 822	546 822

**Programme 3: Water Infrastructure Management**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Infrastructure Development and Rehabilitation	-	-	-	-	2 755 177	-	-	2 755 177	2 755 177
Operation of Water Resources	-	-	-	-	164 245	-	-	164 245	164 245
<b>Total</b>	-	-	-	-	2 919 422	-	-	2 919 422	2 919 422

**Programme 3: Water Infrastructure Management (continued)**

Economic classification		2014/15							Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation		
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
<b>Transfers and subsidies</b>	-	-	-	-	2 919 422	-	-	2 919 422	2 919 422
Departmental agencies and accounts	-	-	-	-	2 735 154	-	-	2 735 154	2 735 154
Foreign governments and international organisations	-	-	-	-	184 268	-	-	184 268	184 268
<b>Total</b>	-	-	-	-	2 919 422	-	-	2 919 422	2 919 422

**Programme 4: Regional Implementation and Support**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation		
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Regional Management and Support	-	-	-	(6 421)	8 526	-	-	2 105	2 105
Water Sector Support	-	1 458	34 600	(763)	1 513 038	-	-	1 548 333	1 548 333
Water Use Regulation	-	-	-	28 404	342 240	-	-	370 644	370 644
Institutional Establishment	-	-	-	(20 735)	58 621	-	-	37 886	37 886
Regional Bulk	-	18 563	-	-	4 656 012	-	-	4 674 575	4 674 575
Transfer of Water Schemes	-	-	-	(15 308)	612 864	-	-	597 556	597 556
Support Services	-	-	-	4 823	379 432	-	-	384 255	384 255
Water Services Projects	-	-	-	-	202 233	-	-	202 233	202 233
Integrated Catchment Management	-	-	-	-	8 736	-	-	8 736	8 736
Water Use Authorisation and Administration	-	-	-	10 000	1 000	-	-	11 000	11 000
National Sanitation Services	-	-	-	-	1 103 787	-	-	1 103 787	1 103 787
<b>Total</b>	-	20 021	34 600	-	8 886 489	-	-	8 941 110	8 941 110
<b>Economic classification</b>									
<b>Current payments</b>	-	-	-	(5 939)	1 368 915	-	-	1 362 976	1 362 976
Compensation of employees	-	-	-	(6 338)	699 878	-	-	693 540	693 540
Goods and services	-	-	-	399	669 037	-	-	669 436	669 436
<b>Transfers and subsidies</b>	-	1 458	-	979	1 623 893	-	-	1 626 330	1 626 330
Provinces and municipalities	-	1 458	-	377	1 031 869	-	-	1 033 704	1 033 704
Departmental agencies and accounts	-	-	-	-	21	-	-	21	21
Public corporations and private enterprises	-	-	-	-	580 000	-	-	580 000	580 000
Non-profit institutions	-	-	-	-	588	-	-	588	588
Households	-	-	-	602	11 415	-	-	12 017	12 017
<b>Payments for capital assets</b>	-	18 563	34 600	4 960	5 893 681	-	-	5 951 804	5 951 804
Buildings and other fixed structures	-	18 563	34 600	-	5 845 338	-	-	5 898 501	5 898 501
Machinery and equipment	-	-	-	4 960	46 479	-	-	51 439	51 439
Software and other intangible assets	-	-	-	-	1 864	-	-	1 864	1 864
<b>Total</b>	-	20 021	34 600	-	8 886 489	-	-	8 941 110	8 941 110

**Programme 5: Water Sector Regulation**

Subprogramme		2014/15							Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation		
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Regulation Management and Support	-	-	-	1 700	6 952	-	-	8 652	8 652
Economic and Social Regulation	-	-	-	(2 200)	6 140	-	-	3 940	3 940
Water Use Authorisation	-	-	-	(4 232)	14 670	-	-	10 438	10 438
Water Supply Services and Sanitation Regulations	-	4 661	-	6 670	23 905	-	-	35 236	35 236
Water Resource Regulation	-	-	-	-	33 757	-	-	33 757	33 757
Compliance Monitoring	-	-	-	(2 014)	19 393	-	-	17 379	17 379
Enforcement	-	-	-	76	16 697	-	-	16 773	16 773
Institutional Oversight	-	-	-	-	50 986	-	-	50 986	50 986
<b>Total</b>	-	4 661	-	-	172 500	-	-	177 161	177 161

**Programme 5: Water Sector Regulation (continued)**

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	-	4 661	-	-	171 204	-	-	175 865	175 865
Compensation of employees	-	-	-	(5 157)	96 441	-	-	91 284	91 284
Goods and services	-	4 661	-	5 157	74 687	-	-	84 505	84 505
Interest and rent on land	-	-	-	-	76	-	-	76	76
<b>Payments for capital assets</b>	-	-	-	-	1 296	-	-	1 296	1 296
Machinery and equipment	-	-	-	-	1 296	-	-	1 296	1 296
<b>Total</b>	-	4 661	-	-	172 500	-	-	177 161	177 161

**Programme 6: International Water Cooperation**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
International Relation Management and Support	-	-	-	(2 832)	8 165	-	-	5 333	5 333
Africa Cooperation	-	-	-	-	11 457	-	-	11 457	11 457
Global Cooperation	-	-	-	2 832	12 834	-	-	15 666	15 666
<b>Total</b>	-	-	-	-	32 456	-	-	32 456	32 456
<b>Economic classification</b>									
<b>Current payments</b>	-	-	-	-	30 712	-	-	30 712	30 712
Compensation of employees	-	-	-	(855)	22 754	-	-	21 899	21 899
Goods and services	-	-	-	855	7 894	-	-	8 749	8 749
Interest and rent on land	-	-	-	-	64	-	-	64	64
<b>Transfers and subsidies</b>	-	-	-	-	921	-	-	921	921
Departmental agencies and accounts	-	-	-	-	3	-	-	3	3
Foreign governments and international organisations	-	-	-	-	918	-	-	918	918
<b>Payments for capital assets</b>	-	-	-	-	823	-	-	823	823
Machinery and equipment	-	-	-	-	823	-	-	823	823
<b>Total</b>	-	-	-	-	32 456	-	-	32 456	32 456

**Details of adjustments to the Estimates of National Expenditure 2014****Roll-overs – R28.682 million**

Programme 1: Administration

R4 million has been rolled over for the upgrading of data storage infrastructure.

Programme 4: Regional Implementation and Support

R18.563 million has been rolled over for regional bulk water infrastructure.

R1.458 million has been rolled over for the municipal water infrastructure grant.

Programme 5: Water Sector Regulation

R4.661 million has been rolled over for scientific and technical support in relation to drinking water quality, waste water and water use efficiency.

**Unforeseeable and unavoidable expenditure – R34.6 million**

Programme 4: Regional Implementation and Support

R15 million has been allocated for an emergency intervention to provide 16 additional boreholes to augment water supply in 59 villages in Limpopo and in the town of Giyani in the same province.



R19.6 million has been allocated for the Bloemhof waste water treatment works that require urgent repair and upgrading following a raw sewerage leakage.

## Virements and shifts

<b>Programmes</b>					
1. Administration					
2. Water Sector Management					
3. Water Infrastructure Management					
4. Regional Implementation and Support					
5. Water Sector Regulation					
6. International Water Cooperation					
<b>FROM:</b>			<b>TO:</b>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(12)</b>	<b>Programme 1</b>		<b>12</b>
Compensation of employees	Movement of personnel	(12)	Households	Movement of personnel	12
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>		<b>(1 615)</b>	<b>Programme 2</b>		<b>1 615</b>
Goods and services	Cost containment measures effected on various items	(770)	Machinery and equipment	Furniture and equipment for newly appointed officials and defrayment of over-expenditure on capital assets	770
Compensation of employees	Vacant posts	(845)	Goods and services	International travel; office furniture and equipment; information system application development maintenance and support	845
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(17 230)</b>	<b>Programme 4</b>		<b>17 230</b>
Goods and services	Unspent funds from vacant posts, office furniture and equipment due to departmental restructuring	(3 870)	Compensation of employees	Contractual workers for water use licensing	3 870
	Vacant posts and staff resignations due to departmental restructuring	(602)	Households	Leave gratuities	602
	Reallocation of funds from consultant and professional services: business and advisory services	(1 973)	Machinery and equipment	Hydro measurement equipment and other machinery and equipment for the licensing of water use in all 9 provinces	1 973
	Unspent funds from vacant posts, office furniture and equipment due to departmental restructuring	(377)	Provinces and municipalities	Municipal rates, and taxes and vehicle licences	377
Compensation of employees	Vacant posts	(7 221)	Goods and services	Consultants and professional services for strengthening the regulatory functions in all 9 provinces	7 221
	Vacant posts	(3 087)	Machinery and equipment	Hydro measurement equipment and photocopier	3 087
Machinery and equipment	Reallocation of funds from office furniture that costs more than the R5 000 threshold	(100)	Compensation of employees	New organisational structure	100
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(5 157)</b>	<b>Programme 5</b>		<b>5 157</b>
Compensation of employees	Vacant posts	(5 157)	Goods and services	Blue drop and green drop project	5 157
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 6</b>		<b>(855)</b>	<b>Programme 6</b>		<b>855</b>
Compensation of employees	Vacant posts	(855)	Goods and services	Travel, accommodation and communication services	855
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(24 869)</b>			<b>24 869</b>

### Funds shifted between votes following the transfer of a function – R13.584 billion

In accordance with the national macro organisation of the state, funds for the sanitation function have been transferred from the Department of Human Settlements:

Programme 4: Regional Implementation and Support

R1.104 billion

In accordance with the national macro organisation of the state, funds for the following functions have been transferred from the former Department of Water Affairs:

Programme 1: Administration

R1.026 billion

Programme 2: Water Sector Management

R597.808 million

Programme 3: Water Infrastructure Management

R2.919 billion

Programme 4: Regional Implementation and Support

R7.782 billion

Programme 5: Water Sector Regulation

R121.514 million

Programme 6: International Water Cooperation

R32.456 million

### Funds shifted within a vote following a function shift – R50.986 million

Programme 5: Water Sector Regulation

R50.986 million has been received from the Water Sector Management programme to ensure alignment to the departmental structural arrangements following the shift of the Institutional Oversight subprogramme to this programme.

### Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	adjusted % of appropriation	Apr 13 - Mar 14	adjusted % of appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted % of appropriation
R thousand									
Administration	978 606	448 943	45.9	907 440	92.7	1 030 430	7.6	425 093	41.3
Water Sector Management	517 366	255 512	49.4	530 827	102.6	546 822	4.0	227 690	41.6
Water Infrastructure Management	2 565 203	1 035 931	40.4	2 558 847	99.8	2 919 422	21.4	773 797	26.5
Regional Implementation and Support	6 451 303	2 056 845	31.9	6 389 899	99.0	8 941 110	65.5	2 080 219	23.3
Water Sector Regulation	117 691	40 621	34.5	92 023	78.2	177 161	1.3	44 873	25.3
International Water Cooperation	25 413	12 709	50.0	26 880	105.8	32 456	0.2	13 973	43.1
<b>Total</b>	<b>10 655 582</b>	<b>3 850 561</b>	<b>36.1</b>	<b>10 505 916</b>	<b>98.6</b>	<b>13 647 401</b>	<b>100.0</b>	<b>3 565 645</b>	<b>26.1</b>

Economic classification	2013/14					2014/15			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
<b>Current payments</b>	<b>2 779 563</b>	<b>1 194 866</b>	<b>43.0</b>	<b>2 517 106</b>	<b>90.6</b>	<b>3 058 458</b>	<b>22.4</b>	<b>1 177 213</b>	<b>38.5</b>
Compensation of employees	1 217 427	563 851	46.3	1 139 732	93.6	1 388 032	10.2	628 526	45.3
Goods and services	1 561 916	626 529	40.1	1 377 316	88.2	1 670 286	12.2	548 671	32.8
Interest and rent on land	220	4 486	2039.1	58	26.4	140	0.0	16	11.4
<b>Transfers and subsidies</b>	<b>4 024 833</b>	<b>1 316 456</b>	<b>32.7</b>	<b>4 020 663</b>	<b>99.9</b>	<b>4 563 949</b>	<b>33.4</b>	<b>1 230 075</b>	<b>27.0</b>
Provinces and municipalities	1 130 827	195 346	17.3	1 129 494	99.9	1 033 707	7.6	184 125	17.8
Departmental agencies and accounts	2 431 547	945 755	38.9	2 437 071	100.2	2 737 823	20.1	652 585	23.8
Foreign governments and international organisations	188 624	118 557	62.9	182 254	96.6	185 186	1.4	121 715	65.7
Public corporations and private enterprises	250 000	47 020	18.8	244 161	97.7	580 000	4.2	256 237	44.2
Non-profit institutions	740	3	0.4	1 181	159.6	1 511	0.0	827	54.7
Households	23 095	9 775	42.3	26 502	114.8	25 722	0.2	14 586	56.7
<b>Payments for capital assets</b>	<b>3 851 186</b>	<b>1 334 753</b>	<b>34.7</b>	<b>3 916 040</b>	<b>101.7</b>	<b>6 024 994</b>	<b>44.1</b>	<b>1 158 324</b>	<b>19.2</b>
Buildings and other fixed structures	3 742 616	1 316 439	35.2	3 859 681	103.1	5 926 658	43.4	1 123 711	19.0
Machinery and equipment	100 929	16 703	16.5	55 678	55.2	92 178	0.7	26 329	28.6
Software and other intangible assets	7 641	1 611	21.1	681	8.9	6 158	0.0	8 284	134.5
<b>Payments for financial assets</b>	<b>-</b>	<b>4 486</b>	<b>0.0</b>	<b>52 107</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>33</b>	<b>0.0</b>
<b>Total</b>	<b>10 655 582</b>	<b>3 850 561</b>	<b>36.1</b>	<b>10 505 916</b>	<b>98.6</b>	<b>13 647 401</b>	<b>100.0</b>	<b>3 565 645</b>	<b>26.1</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 98.6 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R3.566 billion, or 26.1 per cent of the adjusted appropriation of R13.647 billion for the year. In comparison, mid-year expenditure in 2013/14 was R3.851 billion, or 36.1 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R284.916 million, or 7.4 per cent. This was mainly due to delays in the implementation of the new organisational structure, which further delayed the processing of payments and the filling of vacant positions within the department across all programmes.

### Departmental receipts

Economic classification	2013/14					2014/15				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>24 678</b>	<b>10 325</b>	<b>41.8</b>	<b>65 950</b>	<b>267.2</b>	<b>25 557</b>	<b>57 020</b>	<b>100.0</b>	<b>39 608</b>	<b>69.5</b>
Sales of goods and services produced by department	4 657	1 757	37.7	2 774	59.6	4 630	3 502	6.1	1 467	41.9
Sales of scrap, waste, arms and other used current goods	21	1	4.8	9	42.9	17	18	0.0	-	0.0
Interest, dividends and rent on land	8 000	4 562	57.0	4 612	57.7	2 910	8 500	14.9	7 660	90.1
Transactions in financial assets and liabilities	12 000	4 005	33.4	58 555	488.0	18 000	45 000	78.9	30 481	67.7
<b>Total</b>	<b>24 678</b>	<b>10 325</b>	<b>41.8</b>	<b>65 950</b>	<b>267.2</b>	<b>25 557</b>	<b>57 020</b>	<b>100.0</b>	<b>39 608</b>	<b>69.5</b>

## Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R39.608 million, or 69.5 per cent of the adjusted revenue estimate of R57.020 million for the year. In comparison, mid-year revenue in 2013/14 was R10.325 million, or 41.8 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R29.283 million, or 283.6 per cent. This was mainly due to the department having accrued R29.343 million of revenue from 2013/14. The R29.343 million in revenue from 2013/14 relates to recoverable debt and receivables interest that the department had not anticipated when budgeting for the revenue estimates of R24.678 million for 2014/15.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Main appropriation	2014/15 Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	-	2 645	-	-	2 645	2 645
Energy Sector Education and Training Authority	-	-	-	-	2 641	-	-	2 641	2 641
Communication	-	-	-	-	4	-	-	4	4
<b>Non-profit institutions</b>									
<b>Current</b>	-	-	-	-	900	-	-	900	900
Women in water awards	-	-	-	-	900	-	-	900	900
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	12	400	-	-	412	412
Employee social benefits	-	-	-	12	400	-	-	412	412
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	-	13 293	-	-	13 293	13 293
Bursaries for non-employees	-	-	-	-	13 293	-	-	13 293	13 293
<b>Water Sector Management</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	-	-	-	-	3	-	-	3	3
Vehicle licences	-	-	-	-	3	-	-	3	3
<b>Non-profit institutions</b>									
<b>Current</b>	-	-	-	-	23	-	-	23	23
South African Youth Water Prizes	-	-	-	-	23	-	-	23	23
<b>Water Infrastructure Management</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	-	164 245	-	-	164 245	164 245
Water trading entity	-	-	-	-	164 245	-	-	164 245	164 245
<b>Capital</b>	-	-	-	-	2 570 909	-	-	2 570 909	2 570 909
Water trading entity	-	-	-	-	2 570 909	-	-	2 570 909	2 570 909
<b>Foreign governments and international organisations</b>									
<b>Current</b>	-	-	-	-	184 268	-	-	184 268	184 268
Komati River Basin Water Authority	-	-	-	-	184 268	-	-	184 268	184 268
<b>Regional Implementation and Support</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	-	1 458	-	377	537	-	534 150	536 522	536 522
Vehicle licences	-	-	-	377	138	-	-	515	515
Women in Water awards	-	-	-	-	399	-	-	399	399
Municipal water infrastructure grant	-	1 458	-	-	-	-	534 150	535 608	535 608

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

		2014/15							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Capital</b>	-	-	-	-	-	-	449 558	449 558	449 558
Water services operating subsidy grant	-	-	-	-	-	-	449 558	449 558	449 558
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	-	21	-	-	21	21
Communication	-	-	-	-	21	-	-	21	21
<b>Public corporations and private enterprises</b>									
<b>Public corporations</b>									
<b>Other transfers</b>									
<b>Current</b>	-	-	-	-	580 000	-	-	580 000	580 000
Amatola Water Board: Regional bulk infrastructure	-	-	-	-	150 000	-	-	150 000	150 000
Magalies Water Board: Regional bulk infrastructure	-	-	-	-	70 000	-	-	70 000	70 000
Umgeni Water Board: Regional bulk infrastructure	-	-	-	-	216 800	-	-	216 800	216 800
Sedibeng Water Board: Regional bulk infrastructure	-	-	-	-	143 200	-	-	143 200	143 200
<b>Non-profit institutions</b>									
<b>Current</b>	-	-	-	-	588	-	-	588	588
Baswa le Meetse and South African youth water prizes	-	-	-	-	588	-	-	588	588
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	-	1 000	-	-	1 000	1 000
Water services operating subsidy: Indirect grant	-	-	-	-	1 000	-	-	1 000	1 000
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	602	10 415	-	-	11 017	11 017
Poor farmers	-	-	-	602	10 415	-	-	11 017	11 017
<b>International Water Cooperation</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	-	3	-	-	3	3
Communication	-	-	-	-	3	-	-	3	3
<b>Foreign governments and international organisations</b>									
<b>Current</b>	-	-	-	-	918	-	-	918	918
Orange-Senqu River Basin Commission	-	-	-	-	556	-	-	556	556
African Ministers' Council on Water	-	-	-	-	98	-	-	98	98
Limpopo River Basin Commission	-	-	-	-	264	-	-	264	264

## Summary of changes to conditional grants: Local government

		2014/15							
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Regional Implementation and Support</b>	-	1 458	-	-	1 031 332	-	-	1 032 790	1 032 790
Water services operating subsidy grant	-	-	-	-	449 558	-	-	449 558	449 558
Municipal water infrastructure grant	-	1 458	-	-	534 150	-	-	535 608	535 608
Rural households infrastructure grant	-	-	-	-	47 624	-	-	47 624	47 624



## Women

### Adjusted budget summary

		2014/15		
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	-	<b>184 764</b>	-	184 764
<i>of which:</i>				
Current payments	-	111 913	-	111 913
Transfers and subsidies	-	69 456	-	69 456
Payments for capital assets	-	3 395	-	3 395
Executive authority	Minister of Women			
Accounting officer	Director-General of Women			
Website address	<a href="http://www.dwcpd.gov.za">www.dwcpd.gov.za</a>			

### Aim

*Lead, coordinate and oversee the transformation agenda on women's socio-economic rights, empowerment and equality.*

### 2014 national macro organisation of the state

In accordance with the reorganisation of some national departments announced by the President in May 2014, the new Department of Women takes over the function of women empowerment and gender equality from the Department of Women, Children and People with Disabilities with effect from 1 October 2014.

### Programme names, purposes and objectives

Programme 1: Administration

**Purpose:** Provide management, leadership and administrative services to the department.

Programme 2: Social, Political and Economic Participation and Empowerment

**Purpose:** Provide oversight on the implementation of policies related to women empowerment and the elimination of all forms of discrimination against women.

**Objective:** Promote gender equality and the empowerment of women by facilitating and providing strategic guidance for government on women empowerment programmes in the social, political and economic spheres.

Programme 3: Research, Policy Coordination and Knowledge Management

**Purpose:** Conduct research on women empowerment initiatives and the promotion of women's rights domestically and internationally so as to influence women empowerment policies and the promotion of women's rights initiatives in South Africa.

**Objective:** Influence government policies on women empowerment and gender equality, by conducting research and assessing the implementation of such policies by the South African government and other governments across the globe.

Programme 4: Monitoring, Evaluation and Outreach

**Purpose:** Monitor and evaluate progress on the implementation of women empowerment policies and conduct outreach initiatives on women empowerment and rights.

**Objective:** Monitor, evaluate and report on progress on the implementation of women empowerment and gender equality policies by conducting quarterly impact assessments.

## Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of reports submitted to Cabinet on mainstreaming, advocacy and monitoring of rights of women per year	Social and Economic Participation and Empowerment	Outcome 2: A long and healthy life for all South Africans	5	2	3
Number of advocacy and mainstreaming programmes on the realisation of the rights of women per year	Social and Economic Participation and Empowerment		7	1	2
Number of awareness campaigns promoting the realisation and protection of the rights of women per year	Social and Economic Participation and Empowerment	Outcome 5: A skilled and capable workforce to support an inclusive growth path	11	1	3
Number of programmes on access to development opportunities for women per year	Social and Economic Participation and Empowerment	Outcome 12: An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship	4	1	2
Number of reports submitted to international and regional bodies (i.e. United Nations, African Union and Southern African Development Community) per year	Monitoring, Evaluation and Outreach		4	1	3
Number of programmes on institutional support and capacity building provided to government institutions per year	Monitoring, Evaluation and Outreach		6	3	3

### Changes to indicators and targets published in the 2014 ENE

Due to the reorganisation of some national departments announced by the President in May 2014, the functions for children and people with disabilities were transferred from the former Department of Women, Children and People with Disabilities to the Department of Social Development, while the function for women was transferred to the new Department of Women. The initial performance indicators and targets have thus been revised to exclude the functions for children and people with disabilities.

### Mid-year progress

The department has achieved its targets as planned for the first six months of 2014/15.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	-	-	-	-	82 584	-	-	82 584	82 584
Social, Political and Economic Participation and Empowerment	-	-	-	-	83 787	-	-	83 787	83 787
Research, Policy Coordination and Knowledge Management	-	-	-	-	6 502	-	-	6 502	6 502
Monitoring, Evaluation and Outreach	-	-	-	-	11 891	-	-	11 891	11 891
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>184 764</b>	<b>-</b>	<b>-</b>	<b>184 764</b>	<b>184 764</b>



Economic classification		2014/15							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
<b>Current payments</b>	-	-	-	(2 215)	114 128	-	-	111 913	111 913
Compensation of employees	-	-	-	(2 215)	66 259	-	-	64 044	64 044
Goods and services	-	-	-	-	47 869	-	-	47 869	47 869
<b>Transfers and subsidies</b>	-	-	-	2 215	67 241	-	-	69 456	69 456
Provinces and municipalities	-	-	-	-	6	-	-	6	6
Departmental agencies and accounts	-	-	-	-	67 235	-	-	67 235	67 235
Households	-	-	-	2 215	-	-	-	2 215	2 215
<b>Payments for capital assets</b>	-	-	-	-	3 395	-	-	3 395	3 395
Machinery and equipment	-	-	-	-	3 395	-	-	3 395	3 395
<b>Total</b>	-	-	-	-	184 764	-	-	184 764	184 764

**Programme 1: Administration**

Subprogramme		2014/15							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
<b>Ministry</b>	-	-	-	-	23 084	-	-	23 084	23 084
Departmental Management	-	-	-	-	7 649	-	-	7 649	7 649
Corporate Services	-	-	-	-	25 416	-	-	25 416	25 416
Financial Management	-	-	-	-	12 419	-	-	12 419	12 419
Office Accommodation	-	-	-	-	14 016	-	-	14 016	14 016
<b>Total</b>	-	-	-	-	82 584	-	-	82 584	82 584
<b>Economic classification</b>	-	-	-	-	-	-	-	-	-
<b>Current payments</b>	-	-	-	(2 215)	80 116	-	-	77 901	77 901
Compensation of employees	-	-	-	(2 215)	48 377	-	-	46 162	46 162
Goods and services	-	-	-	-	31 739	-	-	31 739	31 739
<b>Transfers and subsidies</b>	-	-	-	2 215	6	-	-	2 221	2 221
Provinces and municipalities	-	-	-	-	6	-	-	6	6
Households	-	-	-	2 215	-	-	-	2 215	2 215
<b>Payments for capital assets</b>	-	-	-	-	2 462	-	-	2 462	2 462
Machinery and equipment	-	-	-	-	2 462	-	-	2 462	2 462
<b>Total</b>	-	-	-	-	82 584	-	-	82 584	82 584

**Programme 2: Social, Political and Economic Participation and Empowerment**

Subprogramme		2014/15							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Management: Social, Political and Economic Participation and Empowerment	-	-	-	-	11 878	-	-	11 878	11 878
Social and Related Functions	-	-	-	-	4 668	-	-	4 668	4 668
Justice and Public Order	-	-	-	-	2	-	-	2	2
Governance and Administration	-	-	-	-	2	-	-	2	2
Economic Empowerment	-	-	-	-	2	-	-	2	2
Commission for Gender Equality	-	-	-	-	67 235	-	-	67 235	67 235
<b>Total</b>	-	-	-	-	83 787	-	-	83 787	83 787

**Programme 2: Social, Political and Economic Participation and Empowerment (continued)**

Economic classification	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	-	-	-	-	16 228	-	-	16 228	16 228
Compensation of employees	-	-	-	-	4 113	-	-	4 113	4 113
Goods and services	-	-	-	-	12 115	-	-	12 115	12 115
<b>Transfers and subsidies</b>	-	-	-	-	67 235	-	-	67 235	67 235
Departmental agencies and accounts	-	-	-	-	67 235	-	-	67 235	67 235
<b>Payments for capital assets</b>	-	-	-	-	324	-	-	324	324
Machinery and equipment	-	-	-	-	324	-	-	324	324
<b>Total</b>	-	-	-	-	83 787	-	-	83 787	83 787

**Programme 3: Research, Policy Coordination and Knowledge Management**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management: Research, Policy Coordination and Knowledge Management	-	-	-	-	2	-	-	2	2
Research Management	-	-	-	-	3 487	-	-	3 487	3 487
Policy Analysis and Coordination	-	-	-	-	3 011	-	-	3 011	3 011
Information and Knowledge Management	-	-	-	-	2	-	-	2	2
<b>Total</b>	-	-	-	-	6 502	-	-	6 502	6 502
<b>Economic classification</b>	-	-	-	-	6 270	-	-	6 270	6 270
<b>Current payments</b>	-	-	-	-	6 270	-	-	6 270	6 270
Compensation of employees	-	-	-	-	5 251	-	-	5 251	5 251
Goods and services	-	-	-	-	1 019	-	-	1 019	1 019
<b>Payments for capital assets</b>	-	-	-	-	232	-	-	232	232
Machinery and equipment	-	-	-	-	232	-	-	232	232
<b>Total</b>	-	-	-	-	6 502	-	-	6 502	6 502

**Programme 4: Monitoring, Evaluation and Outreach**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Management: Monitoring, Evaluation and Outreach	-	-	-	-	2	-	-	2	2
Monitoring and Evaluation	-	-	-	-	8 461	-	-	8 461	8 461
Stakeholder Coordination	-	-	-	-	2	-	-	2	2
Outreach Initiatives	-	-	-	-	3 426	-	-	3 426	3 426
<b>Total</b>	-	-	-	-	11 891	-	-	11 891	11 891
<b>Economic classification</b>	-	-	-	-	11 514	-	-	11 514	11 514
<b>Current payments</b>	-	-	-	-	11 514	-	-	11 514	11 514
Compensation of employees	-	-	-	-	8 518	-	-	8 518	8 518
Goods and services	-	-	-	-	2 996	-	-	2 996	2 996
<b>Payments for capital assets</b>	-	-	-	-	377	-	-	377	377
Machinery and equipment	-	-	-	-	377	-	-	377	377
<b>Total</b>	-	-	-	-	11 891	-	-	11 891	11 891

## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

Programmes					
1. Administration					
2. Social, Political and Economic Participation and Empowerment					
3. Research, Policy Coordination and Knowledge Management					
4. Monitoring, Evaluation and Outreach					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(2 215)</b>	<b>Programme 1</b>		<b>2 215</b>
Compensation of employees	Vacant posts	(2 215)	Households	Leave gratuities	2 215
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(2 215)</b>			<b>2 215</b>

### Funds shifted between votes following the transfer of a function – R184.764 million

In accordance with the national macro organisation of the state, funds for the following functions have been transferred from the former Department of Women, Children and People with Disabilities:

Programme 1: Administration

R82.584 million

Programme 2: Social and Economic Participation and Empowerment

R83.787 million

Programme 3: Research, Policy Coordination and Knowledge Management

R6.502 million

Programme 4: Monitoring, Evaluation and Outreach

R11.891 million

### Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
Administration	84 353	34 831	41.3	70 826	84.0	82 584	44.7	39 291	47.6	
Social, Political and Economic Participation and Empowerment	75 431	38 372	50.9	75 981	100.7	83 787	45.3	31 309	37.4	
Research, Policy Coordination and Knowledge Management	4 233	4 234	100.0	7 849	185.4	6 502	3.5	3 371	51.8	
Monitoring, Evaluation and Outreach	7 212	3 257	45.2	8 491	117.7	11 891	6.4	3 251	27.3	
<b>Total</b>	<b>171 229</b>	<b>80 694</b>	<b>47.1</b>	<b>163 147</b>	<b>95.3</b>	<b>184 764</b>	<b>100.0</b>	<b>77 222</b>	<b>41.8</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>104 668</b>	<b>48 441</b>	<b>46.3</b>	<b>97 416</b>	<b>93.1</b>	<b>111 913</b>	<b>60.6</b>	<b>46 293</b>	<b>41.4</b>	
Compensation of employees	57 559	24 167	42.0	50 351	87.5	64 044	34.7	28 949	45.2	
Goods and services	47 109	24 274	51.5	47 065	99.9	47 869	25.9	17 344	36.2	
<b>Transfers and subsidies</b>	<b>63 486</b>	<b>31 669</b>	<b>49.9</b>	<b>63 575</b>	<b>100.1</b>	<b>69 456</b>	<b>37.6</b>	<b>30 233</b>	<b>43.5</b>	
Provinces and municipalities	6	4	66.7	6	100.0	6	0.0	3	50.0	
Departmental agencies and accounts	63 080	31 542	50.0	63 080	100.0	67 235	36.4	28 015	41.7	
Households	400	123	30.8	489	122.3	2 215	1.2	2 215	100.0	
<b>Payments for capital assets</b>	<b>3 075</b>	<b>584</b>	<b>19.0</b>	<b>2 156</b>	<b>70.1</b>	<b>3 395</b>	<b>1.8</b>	<b>696</b>	<b>20.5</b>	
Machinery and equipment	3 075	584	19.0	2 156	70.1	3 395	1.8	696	20.5	
<b>Total</b>	<b>171 229</b>	<b>80 694</b>	<b>47.1</b>	<b>163 147</b>	<b>95.3</b>	<b>184 764</b>	<b>100.0</b>	<b>77 222</b>	<b>41.8</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 95.3 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R77.222 million or 41.8 per cent of the adjusted appropriation of R184.764 million for the year. In comparison, mid-year expenditure in 2013/14 was R80.694 million, or 47.1 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 decreased by R3.472 million, or 4.3 per cent. This was mainly due to the transfer payment to the Commission for Gender Equality being smaller than in the previous year.

### Departmental receipts

	2013/14					2014/15				
	Adjusted estimate	Audited outcome			Actual receipts					
		Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	14	7	50.0	17	121.4	13	30	100.0	15	50.0
Sales of goods and services produced by department	14	7	50.0	17	121.4	13	30	100.0	15	50.0
<b>Total</b>	14	7	50.0	17	121.4	13	30	100.0	15	50.0

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R15 000, or 50 per cent of the adjusted revenue estimate of R30 000 for the year. In comparison, mid-year revenue in 2013/14 was R7 000, or 50 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R8 000, or 114.3 per cent. This was mainly due to payments received from private companies for processing garnishee orders.

### Changes to transfers and subsidies, including conditional grants

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

	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
<b>Administration</b>									
<b>Provinces and municipalities</b>									
<b>Municipalities</b>									
<b>Municipal bank accounts</b>									
<b>Current</b>	-	-	-	-	6	-	-	6	6
Vehicle licences	-	-	-	-	6	-	-	6	6
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	-	-	-	2 215	-	-	-	2 215	2 215
Employee social benefits	-	-	-	2 215	-	-	-	2 215	2 215
<b>Social, Political and Economic Participation and Empowerment</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	-	-	-	-	67 235	-	-	67 235	67 235
Commission for Gender Equality	-	-	-	-	67 235	-	-	67 235	67 235