

Vote 26

Military Veterans

Adjusted budget summary

R thousand	Appropriation	Adjustments appropriation	2020/21		Adjusted appropriation
			Second adjustments appropriation		
			Decrease	Increase	
Amount to be appropriated	683 073	(137 000)	(66 253)	522	480 342
<i>of which:</i>					
Current payments	405 467	(47 552)	(22 026)	–	335 889
Transfers and subsidies	260 880	(90 000)	(44 227)	–	126 653
Payments for capital assets	16 726	552	–	522	17 800
Executive authority	Minister of Defence and Military Veterans				
Accounting officer	Director-General for Military Veterans				
Website address	www.dmv.gov.za				

Vote purpose

Formulate policies and standards aimed at providing a comprehensive delivery system to military veterans and their dependants in recognition of their role in the democratisation of South Africa.

Performance

Indicator	Programme	MTSF priority	Annual performance		
			Projected for 2020/21 as published in the 2020 ENE	Achieved in the first half of 2020/21 (April to September) ¹	Changed target for 2020/21 ¹
Number of military veterans provided with newly built houses per year	Socioeconomic Support	Priority 6: Social cohesion and safer communities	710	0	355
Number of bursaries provided to military veterans and their dependants per year	Socioeconomic Support	Priority 3: Education, skills and health	7 400	0	3 500
Total number of military veterans with access to health care services	Socioeconomic Support		19 000	56	18 500
Number of military veterans memorial sites erected per year	Empowerment and Stakeholder Management	Priority 6: Social cohesion and safer communities	3	0	–

1. Due to the COVID-19 lockdown, some targets have not been met and some targets have been changed.

Progress

Although the department did not erect any memorial site for military veterans in the first half of 2020/21, this activity is planned to be executed during the fourth quarter of 2020/21. The department expects to achieve the target by the end of the year.

Adjusted estimates

Programme	2020/21								
	Appropriation	Adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
			Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	138 527	(15 000)	–	–	15 324	–	–	15 324	138 851
Socioeconomic Support	401 404	(90 000)	–	–	(13 033)	–	(59 979)	(73 012)	238 392

2020 Adjusted Estimates of National Expenditure

Programme	2020/21									
	R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Empowerment and Stakeholder Management	143 142	(32 000)	-	-	(2 291)	-	(5 752)	(8 043)	103 099	
Total	683 073	(137 000)	-	-	-	-	(65 731)	(65 731)	480 342	
Economic classification										
Current payments	405 467	(47 552)	-	-	(522)	-	(21 504)	(22 026)	335 889	
Compensation of employees	140 567	-	-	-	-	-	(11 504)	(11 504)	129 063	
Goods and services	264 900	(47 552)	-	-	(522)	-	(10 000)	(10 522)	206 826	
Transfers and subsidies	260 880	(90 000)	-	-	-	-	(44 227)	(44 227)	126 653	
Households	260 880	(90 000)	-	-	-	-	(44 227)	(44 227)	126 653	
Payments for capital assets	16 726	552	-	-	522	-	-	522	17 800	
Machinery and equipment	8 941	3 291	-	-	(1 904)	-	-	(1 904)	10 328	
Heritage assets	5 000	(5 000)	-	-	-	-	-	-	-	
Software and other intangible assets	2 785	2 261	-	-	2 426	-	-	2 426	7 472	
Total	683 073	(137 000)	-	-	-	-	(65 731)	(65 731)	480 342	

Programme 1: Administration

Subprogramme	2020/21									
	R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Management	7 506	(521)	-	-	2 500	-	-	2 500	9 485	
Corporate Services	62 325	(562)	-	-	9 389	-	-	9 389	71 152	
Financial Administration	18 218	(1 687)	-	-	3 281	-	-	3 281	19 812	
Internal Audit	11 437	(1 134)	-	-	595	-	-	595	10 898	
Strategic Planning, Policy Development and Monitoring and Evaluation	21 799	(7 496)	-	-	(441)	-	-	(441)	13 862	
Office Accommodation	17 242	(3 600)	-	-	-	-	-	-	13 642	
Total	138 527	(15 000)	-	-	15 324	-	-	15 324	138 851	
Economic classification										
Current payments	134 596	(16 650)	-	-	14 272	-	-	14 272	132 218	
Compensation of employees	50 129	-	-	-	15 324	-	-	15 324	65 453	
Goods and services	84 467	(16 650)	-	-	(1 052)	-	-	(1 052)	66 765	
Payments for capital assets	3 931	1 650	-	-	1 052	-	-	1 052	6 633	
Machinery and equipment	3 931	1 650	-	-	(1 374)	-	-	(1 374)	4 207	
Software and other intangible assets	-	-	-	-	2 426	-	-	2 426	2 426	
Total	138 527	(15 000)	-	-	15 324	-	-	15 324	138 851	

Programme 2: Socioeconomic Support

Subprogramme		2020/21							Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation				Total second adjustments appropriation		
			Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds		Other adjustments	
Database and Benefits Management	18 039	–	–	–	(2 551)	–	–	(2 551)	15 488
Health Care and Wellbeing Support	115 204	(10 000)	–	–	(1 181)	–	(15 000)	(16 181)	89 023
Socioeconomic Support Management	268 161	(80 000)	–	–	(9 301)	–	(44 979)	(54 280)	133 881
Total	401 404	(90 000)	–	–	(13 033)	–	(59 979)	(73 012)	238 392
Economic classification									
Current payments	141 279	(4 191)	–	–	(12 503)	–	(15 752)	(28 255)	108 833
Compensation of employees	46 797	–	–	–	(13 033)	–	(5 752)	(18 785)	28 012
Goods and services	94 482	(4 191)	–	–	530	–	(10 000)	(9 470)	80 821
Transfers and subsidies	256 404	(90 000)	–	–	–	–	(44 227)	(44 227)	122 177
Households	256 404	(90 000)	–	–	–	–	(44 227)	(44 227)	122 177
Payments for capital assets	3 721	4 191	–	–	(530)	–	–	(530)	7 382
Machinery and equipment	936	1 930	–	–	(530)	–	–	(530)	2 336
Software and other intangible assets	2 785	2 261	–	–	–	–	–	–	5 046
Total	401 404	(90 000)	–	–	(13 033)	–	(59 979)	(73 012)	238 392

Programme 3: Empowerment and Stakeholder Management

Subprogramme		2020/21							Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation				Total second adjustments appropriation		
			Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds		Other adjustments	
Provincial Offices and Stakeholder Relations	64 457	(12 910)	–	–	(3 584)	–	(5 752)	(9 336)	42 211
Empowerment and Skills Development	51 852	(17 590)	–	–	3 497	–	–	3 497	37 759
Heritage, Memorials, Burials and Honours	26 833	(1 500)	–	–	(2 204)	–	–	(2 204)	23 129
Total	143 142	(32 000)	–	–	(2 291)	–	(5 752)	(8 043)	103 099
Economic classification									
Current payments	129 592	(26 711)	–	–	(2 291)	–	(5 752)	(8 043)	94 838
Compensation of employees	43 641	–	–	–	(2 291)	–	(5 752)	(8 043)	35 598
Goods and services	85 951	(26 711)	–	–	–	–	–	–	59 240
Transfers and subsidies	4 476	–	–	–	–	–	–	–	4 476
Households	4 476	–	–	–	–	–	–	–	4 476
Payments for capital assets	9 074	(5 289)	–	–	–	–	–	–	3 785
Machinery and equipment	4 074	(289)	–	–	–	–	–	–	3 785
Heritage assets	5 000	(5 000)	–	–	–	–	–	–	–
Total	143 142	(32 000)	–	–	(2 291)	–	(5 752)	(8 043)	103 099

Details of adjustments to the 2020 Estimates of National Expenditure

Virements and shifts within the vote

Programmes					
1. Administration					
2. Socioeconomic Support					
3. Empowerment and Stakeholder Management					
From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1			Programme 1		
Goods and services	Reallocation of funds incorrectly allocated in the 2020 ENE	(1 297)	Machinery and equipment	Computers	1 297
	Reallocation of funds incorrectly allocated in the 2020 ENE	(2 426)	Software and other intangible assets	Software licences	2 426
Machinery and equipment	Reallocation of funds incorrectly allocated in the 2020 ENE	(2 671)	Goods and services	Personal protective equipment	2 671
Shifts within the programme as a percentage of the programme budget		4.6%			
Virements to other programmes as a percentage of the programme budget					
Programme 2			Programme 2		
Machinery and equipment	Reallocation of funds incorrectly allocated in the 2020 ENE	(530)	Goods and services	Personal protective equipment	530
			Programme 1		
Compensation of employees	Reallocation of funds incorrectly allocated in the 2020 ENE	(61)	Compensation of employees	Personnel remuneration	61
	Reallocation of funds incorrectly allocated in the 2020 ENE	(12 972)	Compensation of employees	Personnel remuneration	12 972
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget					
Programme 3			Programme 1		
Compensation of employees	Reallocation of funds incorrectly allocated in the 2020 ENE	(2 291)	Compensation of employees	Personnel remuneration	2 291
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget					
Total		(22 248)	22 248		

Other adjustments – R65.731 million

Adjustments to expenditure earmarked in the 2020 Budget and Supplementary Budget

Programme 2: Socioeconomic Support

A reduction of R5.752 million is effected on compensation of employees.

Programme 3: Empowerment and Stakeholder Management

A reduction of R5.752 million is effected on compensation of employees.

Funds shifted between votes

R54.227 million is transferred to the Department of Public Enterprises for the implementation of the South African Airways business rescue plan in terms of section 30(2)(e) of the Public Finance Management Act (1999).

Expenditure outcome for 2019/20 and actual expenditure for 2020/21

Programme	2019/20					2020/21				
	Adjusted appropriation	Outcome		Adjusted appropriation	Adjusted appropriation/Total (%)	Actual expenditure		Adjusted appropriation	Adjusted appropriation/Total (%)	
		Apr 19 - Sep 19	% of adjusted appropriation			Apr 20 - Sep 20	% of adjusted appropriation			
R thousand										
Administration	141 054	65 898	46.7	139 614	99.0	138 851	28.9	50 027	36.0	
Socioeconomic Support	365 351	122 693	33.6	254 843	69.8	238 392	49.6	47 179	19.8	
Empowerment and Stakeholder Management	146 148	36 054	24.7	82 748	56.6	103 099	21.5	25 761	25.0	
Subtotal	652 553	224 645	34.4	477 205	73.1	480 342	100.0	122 967	25.6	
Total	652 553	224 645	34.4	477 205	73.1	480 342	100.0	122 967	25.6	
Economic classification										
Current payments	391 467	147 791	37.8	365 463	93.4	335 889	69.9	95 226	28.4	
Compensation of employees	131 549	60 385	45.9	130 073	98.9	129 063	26.9	62 040	48.1	
Goods and services	259 918	87 405	33.6	235 377	90.6	206 826	43.1	33 186	16.0	
Interest and rent on land	–	1	–	13	–	–	–	–	–	
Transfers and subsidies	240 736	75 743	31.5	110 236	45.8	126 653	26.4	26 602	21.0	
Foreign governments and international organisations	–	–	–	–	–	–	–	70	–	
Households	240 736	75 743	31.5	110 236	45.8	126 653	26.4	26 532	20.9	
Payments for capital assets	20 350	1 111	5.5	1 506	7.4	17 800	3.7	1 139	6.4	
Buildings and other fixed structures	2 000	–	–	–	–	–	–	–	–	
Machinery and equipment	12 230	1 111	9.1	1 408	11.5	10 328	2.2	1 139	11.0	
Heritage assets	5 000	–	–	98	2.0	–	–	–	–	
Software and other intangible assets	1 120	–	–	–	–	7 472	1.6	–	–	
Total	652 553	224 645	34.4	477 205	73.1	480 342	100.0	122 967	25.6	

Expenditure trends

Total expenditure in 2019/20 was R477.2 million, 73.1 per cent of the 2019/20 adjusted appropriation. Mid-year expenditure in 2019/20 was R224.6 million, 34.4 per cent of the adjusted appropriation for the year, whereas expenditure in the first half of 2020/21 was R123 million, 25.6 per cent of the adjusted appropriation of R480.3 million for the year. Compared to the first half of 2019/20, expenditure over the same period in 2020/21 decreased by R101.7 million, 45.3 per cent. This was mainly due to delays in receiving invoices from the South African Military Health Services and education institutions, and delays in the delivery of houses to military veterans.

Departmental receipts

R thousand	2019/20					2020/21				
	Adjusted estimate	Outcome			Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts		
		Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted estimate	Apr 19 - Mar 20				Apr 19 - Mar 20 % of adjusted estimate	Apr 20 - Sep 20	Apr 20 - Sep 20 % of adjusted estimate
Departmental receipts	334	300	89.8	1 083	324.3	357	697	100.0	366	52.5
Sales of goods and services produced by department	34	18	52.9	38	111.8	37	37	5.3	20	54.1
Sales of capital assets	–	–	–	3	–	–	–	–	–	–
Transactions in financial assets and liabilities	300	282	94.0	1 042	347.3	320	660	94.7	346	52.4
Total	334	300	89.8	1 083	324.3	357	697	100.0	366	52.5

Revenue trends

Mid-year revenue in 2019/20 was R300 000, 89.8 per cent of the 2019/20 adjusted estimate, whereas revenue for the first half of 2020/21 was R366 000, or 52.5 per cent of the adjusted estimate of R697 000 for the year. Compared to the first half of 2019/20, revenue over the same period in 2020/21 increased by R66 000, 22 per cent. This was mainly due to an increase in credit notes from travel agencies.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2020/21									
	Appropriation	Special appropriation	Adjustments appropriation	Second adjustments appropriation				Total second adjustments appropriation	Adjusted appropriation	
				Roll-overs	Unforeseeable/unavoidable and shifts	Declared unspent funds	Virements and adjustments			Other adjustments
Socioeconomic Support										
Households										
Social benefits										
Current	256 404	–	(222 529)	–	–	–	–	(19 227)	(19 227)	14 648
Military veterans benefits	256 404	–	(222 529)	–	–	–	–	(19 227)	(19 227)	14 648
Households										
Other transfers to households										
Current	–	–	132 529	–	–	–	–	(25 000)	(25 000)	107 529
Military veterans benefits	–	–	132 529	–	–	–	–	(25 000)	(25 000)	107 529