

# Vote 3

## Cooperative Governance

### Adjusted budget summary

R thousand	Appropriation	2022/23 Adjustments appropriation		Adjusted appropriation
		Decrease	Increase	
<b>Amount to be appropriated</b>	<b>111 364 861</b>	<b>(53 538)</b>	<b>3 703 592</b>	<b>115 014 915</b>
<i>of which:</i>				
Current payments	5 062 976	(53 538)	–	5 009 438
Transfers and subsidies	106 259 832	–	3 703 592	109 963 424
Payments for capital assets	42 053	–	–	42 053
Executive authority	Minister of Cooperative Governance and Traditional Affairs			
Accounting officer	Director-General of Cooperating Governance			
Website	www.cogta.gov.za			

### Vote purpose

*Improve cooperative governance across the three spheres of government, in partnership with provinces, municipalities, civil society and communities, to enable accelerated service delivery.*

### Performance

Indicator	Programme	MTSF priority	Annual performance		
			Projected for 2022/23	Achieved in the first half of 2022/23 (April to September)	Changed target for 2022/23
Number of existing cities identified for redesign and refurbishment as smart cities per year	Local Government Support and Intervention Management	Priority 5: Spatial integration, human settlements and local government	1	0	3 <sup>1</sup>
Percentage of municipal infrastructure grant transferred to municipalities per year	Local Government Support and Intervention Management		100%	29% (R5bn/R16.8bn)	–
Total number of districts and metros implementing the district development model	Local Government Support and Intervention Management		52	0	–
Number of work opportunities provided through the community work programme per year	Community Work Programme	Priority 2: Economic transformation and job creation	250 000	258 619	258 619 <sup>1</sup>
Number of municipalities in priority district areas supported per year to prevent, prepare and mitigate disaster risks through the implementation of the applicable disaster management plans	National Disaster Management Centre	Departmental mandate	10	6	–

1. Target changed to align with the department's 2022/23 annual performance plan.

### Progress

In the first half of 2022/23, R5 billion of the *municipal infrastructure grant* was transferred to support municipal infrastructure delivery against an annual target of R16.8 billion. Transfers to municipalities are based on a payment schedule, with which this achievement is aligned. The department has already achieved its annual target for the number of work opportunities provided through the community work programme due to high demand for employment.

## Adjusted estimates

Programme		2022/23							Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds		Other adjustments <sup>1</sup>	
Administration	301 201	-	-	9 900	-	-	-	9 900	311 101
Local Government Support and Intervention Management	18 493 211	-	-	43 500	-	-	-	43 500	18 536 711
Institutional Development	87 571 977	12 835	-	(5 600)	-	-	-	7 235	87 579 212
National Disaster Management Centre	652 268	-	3 637 219	-	-	-	-	3 637 219	4 289 487
Community Work Programme	4 346 204	-	-	(47 800)	-	-	-	(47 800)	4 298 404
<b>Total</b>	<b>111 364 861</b>	<b>12 835</b>	<b>3 637 219</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 650 054</b>	<b>115 014 915</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>5 062 976</b>	<b>-</b>	<b>-</b>	<b>(53 538)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(53 538)</b>	<b>5 009 438</b>
Compensation of employees	353 689	-	-	-	-	-	-	-	353 689
Goods and services	4 709 287	-	-	(53 538)	-	-	-	(53 538)	4 655 749
<b>Transfers and subsidies</b>	<b>106 259 832</b>	<b>12 835</b>	<b>3 637 219</b>	<b>53 538</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 703 592</b>	<b>109 963 424</b>
Provinces and municipalities	105 781 755	-	3 637 219	-	-	-	-	3 637 219	109 418 974
Departmental agencies and accounts	460 836	-	-	50 000	-	-	-	50 000	510 836
Foreign governments and international organisations	2 236	-	-	-	-	-	-	-	2 236
Non-profit institutions	15 005	-	-	-	-	-	-	-	15 005
Households	-	12 835	-	3 538	-	-	-	16 373	16 373
<b>Payments for capital assets</b>	<b>42 053</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42 053</b>
Machinery and equipment	42 053	-	-	-	-	-	-	-	42 053
<b>Total</b>	<b>111 364 861</b>	<b>12 835</b>	<b>3 637 219</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 650 054</b>	<b>115 014 915</b>

1. Other adjustments include funds shifted within a vote following a function shift, funds shifted between votes, adjustments due to significant and unforeseeable economic and financial events, self-financing expenditure, and the use of funds in terms of section 16 of the Public Finance Management Act (1999).

## Programme 1: Administration

Subprogramme		2022/23							Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds		Other adjustments	
Ministry	31 435	-	-	-	-	-	-	-	31 435
Management	20 097	-	-	-	-	-	-	-	20 097
Corporate Services	130 987	-	-	12 100	-	-	-	12 100	143 087
Financial Services	52 953	-	-	(2 200)	-	-	-	(2 200)	50 753
Internal Audit and Risk management	14 660	-	-	-	-	-	-	-	14 660
Office Accommodation	51 069	-	-	-	-	-	-	-	51 069
<b>Total</b>	<b>301 201</b>	<b>-</b>	<b>-</b>	<b>9 900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 900</b>	<b>311 101</b>

**Programme 1: Administration (continued)**

Economic classification	2022/23								
	Appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>296 465</b>	–	–	<b>8 570</b>	–	–	–	<b>8 570</b>	<b>305 035</b>
Compensation of employees	160 228	–	–	(2 200)	–	–	–	(2 200)	158 028
Goods and services	136 237	–	–	10 770	–	–	–	10 770	147 007
<b>Transfers and subsidies</b>	<b>788</b>	–	–	<b>1 330</b>	–	–	–	<b>1 330</b>	<b>2 118</b>
Provinces and municipalities	122	–	–	–	–	–	–	–	122
Foreign governments and international organisations	666	–	–	–	–	–	–	–	666
Households	–	–	–	1 330	–	–	–	1 330	1 330
<b>Payments for capital assets</b>	<b>3 948</b>	–	–	–	–	–	–	–	<b>3 948</b>
Machinery and equipment	3 948	–	–	–	–	–	–	–	3 948
<b>Total</b>	<b>301 201</b>	–	–	<b>9 900</b>	–	–	–	<b>9 900</b>	<b>311 101</b>

**Programme 2: Local Government Support and Intervention Management**

Subprogramme	2022/23								
	Appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments		
R thousand									
Management: Local Government Support and Intervention Management	7 352	–	–	–	–	–	–	–	7 352
Performance Monitoring	11 959	–	–	–	–	–	–	–	11 959
Local Government Improvement Programme	27 543	–	–	(1 500)	–	–	–	(1 500)	26 043
Municipal Infrastructure Grant Administration	50 131	–	–	(1 000)	–	–	–	(1 000)	49 131
Urban Development Planning	11 939	–	–	(2 000)	–	–	–	(2 000)	9 939
Integrated Districts and Regional Spatial Planning	12 556	–	–	(1 000)	–	–	–	(1 000)	11 556
Intergovernmental Policy and Practice	11 298	–	–	(1 000)	–	–	–	(1 000)	10 298
Integrated urban development grant	1 085 368	–	–	–	–	–	–	–	1 085 368
Municipal Demarcation Board	74 340	–	–	–	–	–	–	–	74 340
South African Cities Network	8 508	–	–	–	–	–	–	–	8 508
Municipal Infrastructure Grant	16 842 001	–	–	–	–	–	–	–	16 842 001
Municipal Infrastructure Support Agent	350 216	–	–	50 000	–	–	–	50 000	400 216
<b>Total</b>	<b>18 493 211</b>	–	–	<b>43 500</b>	–	–	–	<b>43 500</b>	<b>18 536 711</b>

**Programme 2: Local Government Support and Intervention Management (continued)**

Economic classification	2022/23								Adjusted appropriation
	Appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments		
R thousand									
<b>Current payments</b>	<b>132 778</b>	–	–	(6 500)	–	–	–	(6 500)	<b>126 278</b>
Compensation of employees	95 361	–	–	–	–	–	–	–	95 361
Goods and services	37 417	–	–	(6 500)	–	–	–	(6 500)	30 917
<b>Transfers and subsidies</b>	<b>18 360 433</b>	–	–	50 000	–	–	–	50 000	<b>18 410 433</b>
Provinces and municipalities	17 927 369	–	–	–	–	–	–	–	17 927 369
Departmental agencies and accounts	424 556	–	–	50 000	–	–	–	50 000	474 556
Non-profit institutions	8 508	–	–	–	–	–	–	–	8 508
<b>Total</b>	<b>18 493 211</b>	–	–	43 500	–	–	–	43 500	<b>18 536 711</b>

**Programme 3: Institutional Development**

Subprogramme	2022/23								Adjusted appropriation
	Appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments		
R thousand									
Management: Institutional Development	3 617	–	–	–	–	–	–	–	3 617
Municipal Human Resource Management System	10 292	–	–	–	–	–	–	–	10 292
Municipal Revenue Enhancement and Audit Outcomes	29 803	–	–	(5 000)	–	–	–	(5 000)	24 803
Citizen Engagement	7 035	–	–	–	–	–	–	–	7 035
Anti-Corruption and Good Governance	6 626	–	–	–	–	–	–	–	6 626
Municipal Property Rates	12 540	–	–	(600)	–	–	–	(600)	11 940
Municipal Governance	5 987	12 835	–	–	–	–	–	12 835	18 822
Local Government Equitable Share	87 311 493	–	–	–	–	–	–	–	87 311 493
South African Local Government Association	36 280	–	–	–	–	–	–	–	36 280
United Cities and Local Government of Africa	7 973	–	–	–	–	–	–	–	7 973
Municipal Systems Improvement Grant	140 331	–	–	–	–	–	–	–	140 331
<b>Total</b>	<b>87 571 977</b>	<b>12 835</b>	–	<b>(5 600)</b>	–	–	–	<b>7 235</b>	<b>87 579 212</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>216 231</b>	–	–	<b>(5 679)</b>	–	–	–	<b>(5 679)</b>	<b>210 552</b>
Compensation of employees	42 765	–	–	–	–	–	–	–	42 765
Goods and services	173 466	–	–	(5 679)	–	–	–	(5 679)	167 787
<b>Transfers and subsidies</b>	<b>87 355 746</b>	<b>12 835</b>	–	<b>79</b>	–	–	–	<b>12 914</b>	<b>87 368 660</b>
Provinces and municipalities	87 311 493	–	–	–	–	–	–	–	87 311 493
Departmental agencies and accounts	36 280	–	–	–	–	–	–	–	36 280
Foreign governments and international organisations	1 570	–	–	–	–	–	–	–	1 570
Non-profit institutions	6 403	–	–	–	–	–	–	–	6 403
Households	–	12 835	–	79	–	–	–	12 914	12 914
<b>Total</b>	<b>87 571 977</b>	<b>12 835</b>	–	<b>(5 600)</b>	–	–	–	<b>7 235</b>	<b>87 579 212</b>

**Programme 4: National Disaster Management Centre**

Subprogramme		2022/23							Total adjustments appropriation	Adjusted appropriation
		Adjustments appropriation								
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments			
Management: Head of the National Disaster Management Centre	4 049	–	–	–	–	–	–	–	4 049	
Disaster Risk Reduction, Capacity Building and Intervention	57 811	–	–	–	–	–	–	–	57 811	
Legislation and Policy Management	6 862	–	–	–	–	–	–	–	6 862	
Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems	4 728	–	–	–	–	–	–	–	4 728	
Fire Services	5 400	–	–	–	–	–	–	–	5 400	
Information Technology, Intelligence and Information Management Systems	30 647	–	–	–	–	–	–	–	30 647	
Disaster Response Grant	516 748	–	344 500	–	–	–	–	344 500	861 248	
Municipal disaster recovery grant	26 023	–	3 292 719	–	–	–	–	3 292 719	3 318 742	
<b>Total</b>	<b>652 268</b>	<b>–</b>	<b>3 637 219</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 637 219</b>	<b>4 289 487</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>106 298</b>	<b>–</b>	<b>–</b>	<b>(2 112)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(2 112)</b>	<b>104 186</b>	
Compensation of employees	28 573	–	–	–	–	–	–	–	28 573	
Goods and services	77 725	–	–	(2 112)	–	–	–	(2 112)	75 613	
<b>Transfers and subsidies</b>	<b>542 865</b>	<b>–</b>	<b>3 637 219</b>	<b>2 112</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 639 331</b>	<b>4 182 196</b>	
Provinces and municipalities	542 771	–	3 637 219	–	–	–	–	3 637 219	4 179 990	
Non-profit institutions	94	–	–	–	–	–	–	–	94	
Households	–	–	–	2 112	–	–	–	2 112	2 112	
<b>Payments for capital assets</b>	<b>3 105</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 105</b>	
Machinery and equipment	3 105	–	–	–	–	–	–	–	3 105	
<b>Total</b>	<b>652 268</b>	<b>–</b>	<b>3 637 219</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 637 219</b>	<b>4 289 487</b>	

**Programme 5: Community Work Programme**

Subprogramme		2022/23							Total adjustments appropriation	Adjusted appropriation
		Adjustments appropriation								
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments			
Management: Community Work Programme	4 283 773	–	–	(47 800)	–	–	–	(47 800)	4 235 973	
Programme Coordination	47 682	–	–	–	–	–	–	–	47 682	
Partnerships, Norms, Standards and Innovation	14 749	–	–	–	–	–	–	–	14 749	
<b>Total</b>	<b>4 346 204</b>	<b>–</b>	<b>–</b>	<b>(47 800)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(47 800)</b>	<b>4 298 404</b>	

**Programme 5: Community Work Programme (continued)**

Economic classification	2022/23									
	R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation	
			Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds			Other adjustments
<b>Current payments</b>		<b>4 311 204</b>	–	–	<b>(47 817)</b>	–	–	–	<b>(47 817)</b>	<b>4 263 387</b>
Compensation of employees		26 762	–	–	2 200	–	–	–	2 200	28 962
Goods and services		4 284 442	–	–	(50 017)	–	–	–	(50 017)	4 234 425
<b>Transfers and subsidies</b>		–	–	–	<b>17</b>	–	–	–	<b>17</b>	<b>17</b>
Households		–	–	–	17	–	–	–	17	17
<b>Payments for capital assets</b>		<b>35 000</b>	–	–	–	–	–	–	–	<b>35 000</b>
Machinery and equipment		35 000	–	–	–	–	–	–	–	35 000
<b>Total</b>		<b>4 346 204</b>	–	–	<b>(47 800)</b>	–	–	–	<b>(47 800)</b>	<b>4 298 404</b>

**Details of adjustments to the 2022 Estimates of National Expenditure****Roll-overs: R12.835 million**

## Programme 3: Institutional Development

R12.835 million is rolled over for ex-gratia payments for councillors whose term ended after the 2021 local government elections.

**Unforeseeable and unavoidable expenditure – R3.637 billion**

## Programme 4: National Disaster Management Centre

An additional R3.003 billion is allocated for the reconstruction and rehabilitation of municipal infrastructure damaged by floods in KwaZulu-Natal and Eastern Cape in April 2022.

An additional R344.5 million is allocated to replenish the *municipal disaster response grant* and the *provincial disaster response grant*.

An additional R289.964 million is allocated for the reconstruction and rehabilitation of municipal infrastructure damaged by disasters in Western Cape in 2021.

**Virements and shifts within the vote****Programmes**

1. Administration
2. Local Government Support and Intervention Management
3. Institutional Development
4. National Disaster Management Centre
5. Community Work Programme

<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>Programme 1</b>		
Goods and services	Consultants, training and development <sup>1</sup>	(1 330)	Households	Leave gratuities <sup>1</sup>	1 330
Compensation of employees	Vacant posts	(2 200)	<b>Programme 5</b>		
Shifts within the programme as a percentage of the programme budget			Compensation of employees	Critical positions	2 200
<b>Virements to other programmes as a percentage of the programme budget</b>			<b>0.4%</b>		
<b>Programme 2</b>			<b>Programme 1</b>		
Goods and services	Consultants	(1 000)	Goods and services	Legal costs	1 000
	Consumables	(3 500)		ICT equipment	3 500
	Travel and subsistence	(2 000)		ICT equipment	2 000
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>0.0%</b>		
<b>Programme 3</b>			<b>Programme 1</b>		
Goods and services	Consultants, contractors	(5 600)	Goods and services	Legal costs	5 600
	Consumables <sup>1</sup>	(79)	<b>Programme 3</b>		
Shifts within the programme as a percentage of the programme budget			Households	Leave gratuities <sup>1</sup>	79
<b>Virements to other programmes as a percentage of the programme budget</b>			<b>0.0%</b>		
<b>Programme 4</b>			<b>Programme 4</b>		
Goods and services	Travel and subsistence <sup>1</sup>	(112)	Households	Leave gratuities <sup>1</sup>	112
	Consultants <sup>1</sup>	(2 000)	Households	Bursaries (non-employees) <sup>1</sup>	2 000
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 5</b>			<b>Programme 2</b>		
Goods and services	Consultants <sup>1</sup>	(50 000)	Departmental agencies and accounts	Transfer to the Municipal Infrastructure Support Agent for the eastern seaboard project <sup>1</sup>	50 000
	Contractors <sup>1</sup>	(17)	<b>Programme 5</b>		
Shifts within the programme as a percentage of the programme budget			Households	Leave gratuities <sup>1</sup>	17
<b>Virements to other programmes as a percentage of the programme budget</b>			<b>1.2%</b>		
<b>Total</b>			<b>67 838</b>		

1. National Treasury approval has been obtained.

## Expenditure outcome for 2021/22 and mid-year expenditure for 2022/23

Programme	2021/22					2022/23			
	Adjusted appropriation	Outcome			Adjusted appropriation/ Total (%)	Actual expenditure			
Apr 21 - Sep 21		Apr 21 - Sep 21 % of adjusted appropriation	Apr 21 - Mar 22	Apr 21 - Mar 22 % of adjusted appropriation		Apr 22 - Sep 22	Apr 22 - Sep 22 % of adjusted appropriation		
R thousand									
Administration	315 658	149 395	47.3	332 293	105.3	311 101	0.3	176 873	56.9
Local Government Support and Intervention Management	17 433 992	6 836 415	39.2	17 403 184	99.8	18 536 711	16.1	625 416	30.3
Institutional Development	78 599 372	32 114 720	40.9	76 645 019	97.5	87 579 212	76.1	1 034 827	38.9
National Disaster Management Centre	698 256	114 006	16.3	536 915	76.9	4 289 487	3.7	541 440	12.6
Community Work Programme	4 212 653	1 715 198	40.7	3 525 647	83.7	4 298 404	3.7	802 096	41.9
<b>Total</b>	<b>101 259 931</b>	<b>40 929 734</b>	<b>40.4</b>	<b>98 443 058</b>	<b>97.2</b>	<b>115 014 915</b>	<b>100.0</b>	<b>180 652</b>	<b>36.7</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>5 035 438</b>	<b>2 060 295</b>	<b>40.9</b>	<b>4 166 697</b>	<b>82.7</b>	<b>5 009 438</b>	<b>4.4</b>	<b>1 080 981</b>	<b>41.5</b>
Compensation of employees	358 126	159 185	44.4	337 454	94.2	353 689	0.3	167 331	47.3
Goods and services	4 677 312	1 901 110	40.6	3 829 243	81.9	4 655 749	4.0	913 650	41.1
<b>Transfers and subsidies</b>	<b>96 202 356</b>	<b>38 849 660</b>	<b>40.4</b>	<b>94 231 527</b>	<b>98.0</b>	<b>109 963 424</b>	<b>95.6</b>	<b>1 094 097</b>	<b>36.5</b>
Provinces and municipalities	95 099 858	38 579 628	40.6	93 148 805	97.9	109 418 974	95.1	887 536	36.5
Departmental agencies and accounts	734 834	266 962	36.3	734 834	100.0	510 836	0.4	195 396	38.3
Foreign governments and international organisations	2 178	316	14.5	316	14.5	2 236	0.0	–	–
Non-profit institutions	14 495	–	–	8 161	56.3	15 005	0.0	–	–
Households	350 991	2 754	0.8	339 411	96.7	16 373	0.0	11 165	68.2
<b>Payments for capital assets</b>	<b>22 076</b>	<b>19 707</b>	<b>89.3</b>	<b>44 762</b>	<b>202.8</b>	<b>42 053</b>	<b>0.0</b>	<b>5 463</b>	<b>13.0</b>
Buildings and other fixed structures	4 600	5 301	115.2	7 437	161.7	–	–	–	–
Machinery and equipment	17 466	13 202	75.6	35 706	204.4	42 053	0.0	5 463	13.0
Biological assets	–	721	–	1 619	–	–	–	–	–
Software and other intangible assets	10	483	4 830.0	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>61</b>	<b>72</b>	<b>118.0</b>	<b>72</b>	<b>118.0</b>	<b>–</b>	<b>–</b>	<b>111</b>	<b>–</b>
<b>Total</b>	<b>101 259 931</b>	<b>40 929 734</b>	<b>40.4</b>	<b>98 443 058</b>	<b>97.2</b>	<b>115 014 915</b>	<b>100.0</b>	<b>180 652</b>	<b>36.7</b>

## Expenditure trends

Total expenditure in 2021/22 was R98.4 billion, 97.2 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2021/22 was R40.9 billion, 40.4 per cent of the adjusted appropriation, whereas



expenditure in the first half of 2022/23 was R42.2 billion, 36.7 per cent of the adjusted appropriation of R115 billion. Compared to the first half of 2021/22, expenditure over the same period in 2022/23 increased by R1.3 billion, 3.1 per cent. This was mainly due to an increase in spending on disaster grants in response to the floods in KwaZulu-Natal and Eastern Cape, and an increase in transfers to municipalities.

## Departmental receipts

R thousand	2021/22					2022/23				
	Adjusted estimate	Outcome		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts			
		Apr 21 - Sep 21	Apr 21 - adjusted estimate % of				Apr 21 - Mar 22	Apr 21 - adjusted estimate % of	Apr 22 - Sep 22	Apr 22 - adjusted estimate % of
<b>Departmental receipts</b>	<b>2 229</b>	<b>969</b>	<b>43.5</b>	<b>18 634</b>	<b>836.0</b>	<b>2 661</b>	<b>4 241</b>	<b>100.0</b>	<b>3 352</b>	<b>79.0</b>
Sales of goods and services produced by department	275	170	61.8	274	99.6	751	699	16.5	100	14.3
Sales of scrap, waste, arms and other used current goods	5	–	–	–	–	5	–	–	–	–
Interest, dividends and rent on land	824	302	36.7	861	104.5	1 205	1 042	24.6	1 042	100.0
Sales of capital assets	390	372	95.4	372	95.4	50	–	–	–	–
Transactions in financial assets and liabilities	735	125	17.0	17 127	2 330.2	650	2 500	58.9	2 210	88.4
<b>Total</b>	<b>2 229</b>	<b>969</b>	<b>43.5</b>	<b>18 634</b>	<b>836.0</b>	<b>2 661</b>	<b>4 241</b>	<b>100.0</b>	<b>3 352</b>	<b>79.0</b>

## Revenue trends

Mid-year revenue in 2021/22 was R969 000, 43.5 per cent of the adjusted estimate, whereas revenue for the first half of 2022/23 was R3.4 million, 79 per cent of the adjusted estimate of R4.2 million. Compared to the first half of 2021/22, revenue over the same period in 2022/23 increased by R2.4 million, 2.5 per cent. This was mainly due to the recovery of funds paid in error.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	Appropriation	2022/23							Adjusted appropriation
		Adjustments appropriation							
		Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Administration</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	–	–	–	1 184	–	–	–	1 184	1 184
Employee social benefits	–	–	–	1 184	–	–	–	1 184	1 184
<b>Households</b>									
<b>Other transfers to households</b>									
<b>Current</b>	–	–	–	146	–	–	–	146	146
Employee social benefits	–	–	–	146	–	–	–	146	146

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

		2022/23							
		Adjustments appropriation							
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
<b>Local Government Support and Intervention Management Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	<b>350 216</b>	–	–	<b>50 000</b>	–	–	–	<b>50 000</b>	<b>400 216</b>
Municipal Infrastructure Support Agent	350 216	–	–	50 000	–	–	–	50 000	400 216
<b>Institutional Development Households Social benefits</b>									
<b>Current</b>	–	–	–	<b>49</b>	–	–	–	<b>49</b>	<b>49</b>
Employee social benefits	–	–	–	49	–	–	–	49	49
<b>Households Other transfers to households</b>									
<b>Current</b>	–	<b>12 835</b>	–	<b>30</b>	–	–	–	<b>12 865</b>	<b>12 865</b>
Non-returning local government councillors	–	12 835	–	30	–	–	–	12 865	12 865
<b>National Disaster Management Centre Provinces and municipalities</b>									
<b>Provinces Provincial Revenue Funds</b>									
<b>Current</b>	<b>145 328</b>	–	<b>96 886</b>	<b>(145 300)</b>	–	–	–	<b>(48 414)</b>	<b>96 914</b>
Provincial disaster response grant	145 328	–	96 886	(145 300)	–	–	–	(48 414)	96 914
<b>Provinces and municipalities Municipalities Municipal bank accounts</b>									
<b>Current</b>	<b>397 443</b>	–	<b>3 540 333</b>	<b>145 300</b>	–	–	–	<b>3 685 633</b>	<b>4 083 076</b>
Municipal disaster response grant	371 420	–	247 614	145 300	–	–	–	392 914	764 334
Municipal disaster recovery grant	26 023	–	3 292 719	–	–	–	–	3 292 719	3 318 742
<b>Households Social benefits</b>									
<b>Current</b>	–	–	–	<b>2 000</b>	–	–	–	<b>2 000</b>	<b>2 000</b>
Employee social benefits	–	–	–	2 000	–	–	–	2 000	2 000
<b>Households Other transfers to households</b>									
<b>Current</b>	–	–	–	<b>112</b>	–	–	–	<b>112</b>	<b>112</b>
Employee social benefits	–	–	–	112	–	–	–	112	112

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

		2022/23								
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation	
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments			
	<b>Community Work Programme Households Social benefits Current</b>	-	-	-	17	-	-	-	17	17
	Employee social benefits	-	-	-	17	-	-	-	17	17

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

		2022/23								
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation	
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments			
	<b>National Disaster Management Centre</b>	145 328	-	96 886	(145 300)	-	-	-	(48 414)	96 914
	Provincial disaster response grant	145 328	-	96 886	(145 300)	-	-	-	(48 414)	96 914

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

		2022/23								
		Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation	
R thousand	Appropriation	Roll-overs	Unforeseeable /Unavoidable	Virements and shifts	Amounts announced in the budget	Declared unspent funds	Other adjustments			
	<b>National Disaster Management Centre</b>	397 443	-	3 540 333	145 300	-	-	-	3 685 633	4 083 076
	Municipal disaster response grant	371 420	-	247 614	145 300	-	-	-	392 914	764 334
	Municipal disaster recovery grant	26 023	-	3 292 719	-	-	-	-	3 292 719	3 318 742

